fundity of the remark made by New York's brilliant and remarkable Mayor that, "in the case of the civil service baby, the labor pains come after the birth rather than before." These "labor pains" have been serious in Michigan—as no doubt they are in all new jurisdictions—but they have been borne with fortitude because of the favorable and unfailing public support which was ready at all crucial moments to rise up and defend the state's newest and lustiest infant. If any factor, other than that of competent administration, can be pulled out of a complex situation and be given some of the credit for the success of the program, I believe most persons would agree that the informed public opinion on civil service matters which was so carefully developed during the stage when the program was being formulated, was such an important factor.

STORMS WEATHERED SUCCESSFULLY

Again and again, in this first year when difficult and potentially dangerous parts of the program were being launched and loud opposition raised its head, strong support from all over the state came to the defense of the new system, and all of the storms have been successfully weathered to date. When the classification plan was up for adoption, when for the first time the state was to be placed under a carefully formulated pay plan, when the results of the qualifying examinations were made known—in all of these important instances, friends of civil service rallied to the support of the system, and the new department was enabled to move on to the next part of the program.

So indispensable is this well developed and organized public support that I am prepared to say most positively and sincerely that I would not urge any unit of government anywhere to embark upon a new personnel program until public opinion has been carefully prepared for it. For even if the infant agency is able to weather the serious storms which it is bound to face in its early period, it will need all the public support it can command to keep on living, once it is established. Like every other regulatory program, civil service has to be prepared at all times to defend itself from those whom it is regulating—in this case, the politicians. And politicians are the hardiest, albeit the most important, of animals, and they have a way of refusing to be excluded from preserves in which they have formerly operated. Michigan's first year proves the necessity for advance preparation for civil service. In these days of rapidly expanding civil service programs, it is well to keep this point in mind.

In this same connection another point is worthy of mention in passing. The new Michigan agency has encountered great difficulty in securing enough properly trained technicians to do the work incumbent upon it. Although a very competent staff has been recruited—admittedly one of the best in the whole field—this was done with the greatest of difficulty and gaps in the organization still exist which it has not been possible to fill. If existing personnel agencies do not now have the staffs with which to tackle their present-day problems, where are we going to be in another year with a vast federal program on the way and with new programs being launched all over the country?

DEPARTMENT SET-UP

It should first be pointed out that the speed with which a comprehensive program was put into operation was one of the outstanding features of the first year's work. The time limits imposed by the law, together with the deficiency in highly trained personnel, necessarily limited the early operations to the basic personnel functions. The department organization which was set up greatly facilitated the completion of the first year's tremendous program. Three sections, each in charge of a principal staff member, were created: a recruiting section; a transactions section in charge of classification, compensation, and all in-service transactions; and an administrative section in charge of all routine and administrative operations including payroll auditing, certification, roster, statistics, and the usual housekeeping functions.

Fortunately, the hopes of the framers of the program regarding the position of the Director and the Commissioners have been almost completely fulfilled in practice. The line of demarcation carefully drawn in the act between the functions of the Director and the Commission has been intelligently observed: the Commissioners, occupying unpaid positions, have not been politicians, but very prominent and distinguished citizens; and the Director, occupying a position which is relatively well paid, at least for Michigan, has been given full and complete charge of the administrative side of the job. Only when consultation or advice was necessary or when the act specifically required the collaboration of the Commission, has it been necessary to bother the Commission. Twenty-three formal meetings took place during the first year of operation, although the members of the Commission and particularly the Chairman were in constant communication with the Director. In other words, the relationships between Director and Commissioners have been almost ideal. The Director has had from the beginning the confidence of the Commissioners and they have backed him up when this was necessary, and at no time have they interfered with the administrative work of the department. The Commission will undoubtedly get more opportunities to protect the system against partisan attacks, and to promote the merit idea, thus proving the necessity for its existence.

In the second place, the examining program has been notable. Employees were not blanketed in under the act. They were required to pass qualifying examinations in order to retain their positions. This necessitated the most extensive examination program of its kind ever to be undertaken by

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National Municipal League

League's Business

League's Council Holds Meeting

A special meeting of the council of the National Municipal League was held at the Hotel Deshler-Wallick, at Columbus, Ohio, on Thursday, December 29th. The following members were present: President C. A. Dykstra, Mrs. Walter S. Greenough, A. R. Hatton, William E. Mosher, S. V. Norton, Clarence E. Ridley, Allen H. Seed, Jr., Frank M. Stewart, and P. P. Womer, together with Howard P. Jones and Alfred Willoughby of the League staff.

One of the major items of business to come before the meeting was the question of the location of the headquarters of the National Municipal League. The new vehicular tunnel under the East River in New York City will cut through the building at 309 East Thirty-fourth Street, where the League's offices are now located. The League has been notified that it must evacuate its quarters before March 1st. After thorough discussion of the matter, including consideration of other locations in New York and the middle west, the matter was left to a special committee to be appointed by President Dykstra.

Establishment of a committee to deal with problems of public opinion in government was authorized. There was also considerable discussion of the necessity for expanding the field work of the League and regional conferences in the south and on the west coast during the coming year were authorized.

The council also authorized a change in the size of the NATIONAL MUNICIPAL REVIEW upon recommendation of the staff. Much of the material in the REVIEW is now reprinted in pamphlet form and the new size will lend itself more readily to this type of treatment, it was emphasized, in addition to being a more convenient size to handle.

Baldwin Prize Essay Award Made

Edwin E. Warner, of DePauw University, Greencastle, Indiana, is the winner of the 1938 Baldwin Prize Essay Award of one hundred dollars for his paper, "A Study of the Indiana Plan of Budgetary Review." Honorable mention was accorded to Richard G. Lapworth of Wayne University, Detroit, writing on "The Problems of Organizing and Sustaining the Detroit Citizens League as a Citizen Reform Agency in Detroit"; John S. Vollmer, Amherst College, "The Operation of the City Manager Plan in New Rochelle, New York"; and George M. Hanning of Wayne University, "The Automobile Trailer in Michigan." Judges in the contest were Professor George C. S. Benson of the University of Michigan, Professor E. B. Schulz of Lehigh University, and Howard P. Jones, secretary of the National Municipal League.

Announcement of the subjects for the 1939 contest was made in the December 1938 NATIONAL MUNICIPAL REVIEW.

HOWARD P. JONES, *Secretary.*

National Municipal Review

Editorial Comment

Will Democracy Become "Popular"?

IT SEEMS to be customary nowadays to start discussions of public affairs by giving fervent thanks because we in this country can still hold meetings and look critically at things as they are, to be followed by a few moments of prayer that we be enabled to hold fast, in a crazy world, to democracy and the freedom of the individual which it implies.

To demonstrate their faith in and support of democracy some feel it is necessary only to vigorously lambast the villainous dictators. It may take a little of that to break through the hard crust of mass indifference. We may be able to teach ourselves what democracy *is* by pointing a warning finger at the fearful thing which it is *not*. A generation ago even most of the monarchies were comparatively democratic in practical operation and there was a general feeling that the whole world was moving along together with nothing much to worry about. The picture is vastly changed today.

Still, we might well ask ourselves: Are these dictators the most dangerous enemies of our democracy?

To those who have concerned themselves more than ordinarily with the problems of local government (by all means including county), the problem of democracy on a world or even a national scale seems secondary, like the assurance that you will have some hens presently if you start out with chicks.

If we can develop in our villages, towns, cities, and counties a popular understanding of what democracy demands of those who own it—enlightened understanding and genuine participation—the result, with almost mathematical certainty, will be a workable, functioning democracy at the roots. The rest should follow as a matter of course—state, nation, world.

We learned not so long ago that democracy did not necessarily consist so much in electing everyone down to the dog catcher as in popularly controlling the key figures in any governmental unit. This is the essence of the short ballot movement. By additional means, such as the council-manager plan, we have learned that a more efficient set-up is at the same time more genuinely democratic. No one claims seriously that our notorious boss-ruled cities, where large majorities of the people for one reason or another vote as the bosses command, even remotely approach the outstanding council-manager cities in implementing the basic principles of democracy.

The fact that a growing number of colleges and universities are providing training for public administration is one of the most hopeful signs on a murky horizon. Schools can give more than lip service to the cause of preserving democracy if they will send *all* their graduates back home imbued with a zeal to understand and solve local problems and confident in the knowledge that they soon will be or can be leaders in their own communities.

Lesson No. 1: "How To Be Smart"

ONE thing the matter with the "reformers," the old line politicians know, is that "they aren't smart enough." That is, they aren't smart enough in the devious ways of political trickery.

We might take the case of Chicopee, Massachusetts, as a typical example. Chicopee is a community of forty thousand near Springfield. A loosely formed organization of political amateurs espoused the council-manager form of government at the November election. Innocently, they thought an intelligent people needed only the facts on which to base their decision.

But they failed to recognize how exceedingly "smart" their opponents were. The political machine pointed with scorn at the "failure" of the manager plan in another Massachusetts city; but of course they didn't admit the failure was due entirely to the shameless interference of spoils politicians who chronically oppose any medium which will enable voters to escape their control. The political machine circulated among voters of French-Canadian descent a French language circular designed to inflame racial fears and hatreds; though it is obvious the manager plan is no device especially made to unseat from office those with French names. The political machine claimed the closing of public schools in Dayton, Ohio, (oddly enough, the day before election) was due to bad planning by that city's very good manager administration; although it could easily have been determined that city administrations in Ohio have no control over the financial affairs of school districts. They charged that "experience proves" the manager plan "increases taxes and bonded indebtedness," whereas the records of hundreds of cities prove the opposite. Citing the case of Kansas City and, of course, ignoring such outstanding successes as Cincinnati and Toledo, to name only two, they claimed the manager plan is "made to order" for politicians and political machines. They branded the manager plan a one-man dictatorship, whereas it is the *only* form of municipal government in which the

(Continued on Page 76)

Democracy at the Crossroads

By **C. A. DYKSTRA**

President, University of Wisconsin

"If freedom and liberty be worth struggling for, let us use our far-flung educational and communication devices to help us in that struggle."

IN THE early days of this association, when it was called the Conference for Good City Government, the National Municipal League membership was made up in large part of laymen who were interested in their own community, in their municipal government and its problems. They recognized that much of what passed for municipal operation in their respective communities was exploitative in the interests of local parties and all too neglectful of the welfare of the citizens as a whole.

They knew that the rapidly growing American city was considered an oyster to be opened by those who had seized and were maintaining control of the local political machinery. They were urged on to civic efforts by the caustic criticism of municipal public life which had appeared in James Bryce's *American Commonwealth*, published just fifty years ago. They recognized that the picture drawn by Lincoln Steffens in his *Shame of the Cities* was on the whole pretty accurate. These laymen believed that something should be done about our municipal situation and they believed that by getting together once a year they could take counsel with each other, exchange experiences, explore the facts, study the structure of local government, and get inspiration and information which would aid them individually in attacking their local problems and waking up their local citizenship to an awareness of responsibility for local concerns.

Today the National Municipal League is made up in some large part of professional and technical men and women who come together to study the techniques of administration, explore the expanding field of governmental functions, and discuss problems of structure and municipal operation which were unknown and unimagined in those early years.

This is the forty-fourth annual conference of the League. The first conference antedated by and large the establishment of voters' leagues, of governmental research bureaus, of departments of government or political science in American colleges and universities, and the publication of monographs, articles, and books in the field of local government. Those laymen, practically speaking, had no literature, no bibliography, no worthwhile reports on the subject of their interest, no surveys and no organizations, local or national, to which to turn for aid and comfort. That first conference was a bold undertaking and is testimony to the character and quality of those pioneers in our field.

The National Municipal League of today lives in an entirely different world and it has broadened its scope of interest very considerably. It has undertaken through the years to draft and publish a model charter for American cities, a model state constitution and model legislation, both in the form of local ordinances and state statutes, in several fields. It is interested in county government, for instance, and in national policy and administration. It is moving on many fronts announcing, in fact, that it has taken all government for its province. This is exactly as it should be for if there is any one thing that we all recognize today it is that we cannot separate local from state problems or state from national problems, or hope to find solutions for the difficulties in which we find ourselves unless all of the agencies of government coöperate in these solutions. Problems of relief, or taxation and credit, of planning and of management and administration are in the last analysis problems in coöperation and coordination to be solved, if at all, by joint efforts cutting through all of the levels of government.

As one peruses the older programs of the League and the literature of the field he is struck by the fact that reference is made to and lessons are drawn from European experiences, particularly in local governments and in general administration. Apparently our young democracy had much to learn from what we believed was the solid and substantial achievement of the older countries of western Europe which were adapting their procedures and ideals to the democratic lessons learned from this side of the water. They were learning about democracy and popular government from us, and we, in turn, were finding much to emulate in their handling of technical administration. In the early years of the century we were counting upon the fact that there was a growing democratization of European political institutions and many of us felt that much more progress was being made in those older countries than we were able to make over here, given our peculiar frontier experience and our individualistic conception of a way of life.

A CHANGING PICTURE

This idyllic and comfortable picture has changed and that rather suddenly. As we look across the water today, we see little that is encouraging to us and much to fear. Our attention is completely distracted from any study of European administrative techniques because the democratic organization which we assumed was a substantial achievement in these older countries has been thrown into the discard, and we face new and rather terrifying lessons to be learned from our onetime imitators. Such democracies as still persist in Europe today seem to find themselves compelled to come to terms with the dictatorships which have been built upon the ruins of democratic experiments. We realize with some amazement that the so-called democratic solution to which we have given our loyalties through the years not only has failed in many places but is on trial in many others. It is a disheartening and tragic fact to be reckoned with.

I have been asking myself what this means to us who still cherish the idea of democracy for the United States and to the National Municipal League and its program. We in this country are facing situations both political and economic which democracy in Europe seemed unable to solve through the agencies of popular government. We are being told that France, for instance, cannot accommodate her present difficulties without some resort to strong-arm methods such as are being used by her neighbors. With the possible exception of England it seems quite possible that before long the United States will be the only surviving power for world democracy.

The National Municipal League through the years has been a great educating influence in spreading some knowledge of techniques in democratic government. It has insisted upon structural devices which have their base in popular representation and their operating agencies attuned to the ideals and methods of modern administration. We have emphasized proportional representation as a device for carrying out the democratic principle. By and large, however, we have been emphasizing efficiency and the possibilities of achieving effective results through democratic governmental agencies. Quite naturally we have taken for granted the perpetuation in America of the democratic process. In these latter days, none the less, we are finding many who say they are disillusioned. Faith in the democratic experiment is not as strong even in the United States as it was a decade ago. Moreover, our traditional way of life is being assailed from the outside. The short wave radio broadcasts from other shores and the activity of propagandists here and there in local communities are raising questions in the minds of many Americans which make us wonder sometimes just how invulnerable to world movements America is.

EDUCATION FOR DEMOCRACY

Is it not time for all of our educational enterprises in the United States to recognize how widespread is the teaching throughout the world which by precept and implication throws overboard the whole theory and method of democracy? Is it not time for us to find out why it has been so easy for the dictators to get rid of democratic processes? We have thought it unnecessary to fire the imagination of our people with a passion for our traditional way of life.

The dictators are not making this mistake. They are cultivating a common interest and a new goal. They are teaching the doctrine that to save one's life one must lose it in devotion to a common social ideal. They are using every available educational facility for pounding home this ideal. They are making zealots out of citizens and arousing an enthusiasm for the new order which passes our understanding. They are bringing up a generation which is confident of itself and ready to dare anything for the accomplishment of a national goal.

If we really believe in the democratic way we face the problem not only of achieving it but of maintaining it. It may be that before long this will be peculiarly an American obligation. It is not necessary to be an alarmist to make such a suggestion. It just seems good sense to examine ourselves a little when we live in a world in which democracies are crashing to their doom on every hand. Perhaps one of these days we shall have to decide that even here in the United States all of our educational facilities—schools, the press, the radio, and the screen—will have to be marshalled together in an effort to give the American people an understanding of the problems facing our civilization and our democracy.

EDUCATIONAL PROGRAM NECESSARY

These various agencies by entirely proper and democratic means might be able to fire our people with a sense of unity, a common cause, a clear objective, and a love of America and what its perpetuation may mean in this confused and warring world. It was the idea of the founders of her republic that only through education would it be possible to perpetuate the idea of freedom and self-government. If they were right and if we still believe in democracy perhaps the world situation warns us that we must develop at least for a time a conscious educational program which will give democracy a chance for survival and for demonstrating that it can meet the challenges inherent in modern life.

The National Municipal League, through the use of committees, has inspired millions in America to try a better way of life in local jurisdictions. I bring to you the suggestion that along with our efficiency committees now working on so many problems we set up one to bring together the schools, the press, the radio, and the screen in a program which will help all Americans, young and old, to understand the meaning of our history and our institutions, to cherish the values that underlie our American traditions and aid all in learning how to use democratic processes for the common good.

It is a common saying that eternal vigilance is the price of liberty. If, then, freedom and liberty be worth struggling for, let us use our far-flung educational and communication devices to help us in that struggle. The freedoms of these agencies themselves may be at stake.

EDITOR'S NOTE—Excerpts from address of the president of the National Municipal League before its forty-fourth National Conference on Government, Baltimore, Maryland, December 1, 1938.

Merit System Advancing in New York City

By **PAUL J. KERN**
President of the New York City Civil Service Commission

Despite obstacles created by politicians and courts, the present Civil Service Commission has reduced political appointees in the city's service to less than one-half of one per cent.

THERE is a popular notion that reform is accomplished by the election of a reformer. Nothing could be further from the truth. Reform begins with the election of reformers; it does not end there.

The problem of reform is a continuing problem of enlightening the community, or the intelligent portion of it, as to the continuing accomplishments and benefits of civil service reform. The election of Mayor LaGuardia in New York City in 1933 made possible the beginning of civil service reform in that city, but even with his unswerving support there have been five long years of unremitting toil against obstacles until the present time, when the City of New York has the lowest percentage of politically appointed jobs of any city, state, county, or the national government in the entire United States. The number of political appointees, in fact, is less than one half of one per cent and it can now be truthfully stated that public employment in the City of New York is 99.44 per cent pure. The story of this progress is largely a story of obstacles and how they were overcome.

First of all obstacles to the merit system everywhere is the professional politician. New York City has had its share of this type of bacteria but the Civil Service Commission has fortunately had the steadfast support of the Mayor in its efforts to extinguish him. The people of the city have done their share. They twice defeated the professional politicians of both parties at the polls, and outside of judicial patronage and organized crime there is practically nothing left to support the patronage machines.

The professional politicians made a number of gallant last stands and some of the rear guard actions are still being fought. Only a short time ago, for instance, we were somewhat interested to find a special consulting engineer employed by Borough President Harvey of Queens. According to the appointment, this was a job of special confidential character which an ordinary civil service engineer could not possibly perform. It paid $5,000 a year. The commission requested the so-called engineer to come in for an examination and discovered to its alarm that he was not a licensed engineer at all and knew nothing of engineering terms. He was supposed to supervise the construction of a million-dollar building but the actual supervision was already being done by qualified civil service men from another city department.

The technical training of this mysterious expert was as a sailor in the United States Navy and apparently he possessed only one high qualification for the job—he was the Borough President's brother-in-law. When the Commission stopped his pay the Borough President loosed a resounding cry of anguish and dolefully predicted that construction would immediately stop upon the huge public building. We were not surprised to find that construction proceeded as usual.

WORK FOR WORK'S SAKE

Most pathetic is the Weppler case. Three years ago the Civil Service Commission descended upon a choice nest of political patronage, the Municipal Court clerkships. There was a terrific court fight and the Court of Appeals, with customary support for the merit system, upheld the Commission and the jobs became competitive. But one of the boys couldn't believe his eyes and just couldn't bring himself to believe that the good old days were gone forever. So he has continued working for three years without pay. Rarely have we seen a politician who loved his job so much. Often we see the pathetic sight of a politician who loves the payroll so much that he is willing to receive pay for no work, but seldom a politician whose love is so great that he is willing to work for no pay.

But reform is contagious and, in fairness, it should be said that some of the more enlightened political offices have voluntarily yielded to common sense and moral pressure in the matter of civil service reform.

The city clerk, for instance, had more than forty political jobs. These employees issued marriage licenses. One civil service clerk could fill out about fifty a day but the political appointees averaged about six a day. About once a month there was a couple who couldn't speak or read English and for this couple the office had six interpreters. It was explained to the Commission, however, that they needed the six interpreters because none of the politically-appointed typists could type and the politically-appointed interpreters who couldn't and didn't interpret, had to be employed to do the typing for the typists who couldn't type. There was a new city clerk this last January. He took one look at the office and without a struggle agreed to make it civil service.

Similarly the Board of Elections. For many years the Board of Elections has stood strictly on its legal right to employ bipartisan political appointees without qualifying examinations. The Commission has agitated endlessly for reform and has sued them and been sued ad nauseam, and except for canvasser for the 1937 P.R. election, all to no avail. The Commission applied all the moral pressure it could by stopping payrolls so far as possible but still nothing happened, until by a genuine change of heart the Board of Elections itself finally asked the Commission to prepare qualifying tests for its workers. This has been done. The entire good faith of the Board thus far has already become apparent and out of the first eight hundred canvassers examined about 15 per cent have failed the qualifying tests. This means that a hundred incompetent employees, who would formerly have been employed and paid by the taxpayers, will be replaced by able, conscientious, qualified people. It is fair to state that the Board of Elections itself is well satisfied with the arrangement, and truly the acceptance of qualifying tests by this huge organization, employing as it does more than twenty thousand persons a year, is a grand step in the progress of the merit system in New York City.

FAVORITISM PLAYS A PART

It must not be lightly assumed that the obstacles to the merit system are all in wolf's clothing. Just as tenacious as the professional politician is the well intentioned department head who feels that so and so is a nice man and that he just can't afford to let him go.

Department heads have the right to appoint provisionals for not more than four months for emergency work when lists are not ready on time. The total number of such provisionals is well under 2 per cent but there have been some strange cases.

A few weeks ago the list for stationary engineer electric ran out and suddenly there was a great epidemic of provisional appointments for stationary engineer electric. This is a purely mechanical job, involving the operation of electric equipment. Being oversuspicious, as usual, the Commission held an open hearing and found that most of these stationary engineers were file clerks, typists, and porters.

It is fair to state that on the whole, and wholeheartedly, the department heads have been more than sympathetic with the merit system. Again the Commission has had the full coöperation of the Mayor and he has some considerable influence over his own commissioners. In some departments, furthermore, we have avowed reformers for commissioners such as Russell Forbes in the Department of Purchase. In these departments we have trouble keeping up with the department head and in the purchase department especially we have had most happy coöperation in our choice by competitive examinations of exceptionally able buyers for the city's fifty-million-dollar-a-year purchasing job. Here, too, we are pleased to report another significant result of the merit system—the result of nondiscrimination. For in the Purchase Department the man who came out number one on the list for buyer of drugs and chemicals was a colored man and he was forthwith appointed and is becoming one of the ablest members of the entire purchasing staff.

Going on from obstacle to obstacle we come next to number three—the courts. The Commission had very good relations with the courts until it started looking with a fishy eye on the court clerks and until it privately expressed the opinion that judicial patronage in the form of receiverships and what-not was as great an evil as executive patronage. The Commission still has good relations with the Court of Appeals of the state and with many of the Supreme Court justices. The same is not uniformly true, however, of the Appellate Division.

Take the case of lifeguards, for instance. There have been lifeguards in the city service for sixteen years without examination. Physical abilities vary over a sixteen-year period so this spring the Commission decided to give them a qualifying test in swimming only. It felt that the safety of millions of swimmers on city beaches demanded such qualification. Unfortunately, one of those subject to such examination was secretary to a political organization of city employees headed by a former Tammany officeholder. He brought suit. The Appellate Division thereupon decided that the Commission could not give a qualifying test and that the only remedy was to dismiss on charges, after employment, those lifeguards who were unfit. Mothers who send their children to city beaches, therefore, have the comfort of knowing that if their children are left to drown by an incompetent lifeguard, the lifeguard is subject to dismissal. These mothers cannot legally have the satisfaction of knowing in advance, however, that such lifeguard is able to swim.

This was all decided on very high principle that the rules didn't provide for such a qualifying test. About the same time, however, Supreme Court Justice McGoldrick showed his respect for the same rules by issuing an order directing the Commission to violate those rules to admit a man to a promotion examination for which he was not eligible. (In fairness it should be noted that this latter decision was later reversed.)

JUDGE RATES PAPERS

Then there was the case where Mr. Justice McGeehan decided to rerate the papers for foreman in the Department of Sanitation. In line with the career service the Commission gave an examination, the first in the history of the city for street sweepers, for promotion to foreman, Department of Sanitation. Almost a thousand street sweepers took the examination. One question asked them to write on "one of the following three subjects," and three-quarters of them wrote on all three. The instructions said that appropriate penalties would be deducted for failure to follow directions and so all three questions were rated on the basis of 33 per cent apiece and then 10 per cent was deducted as a further penalty from the answer. Mr. Justice McGeehan disagreed with the examiners and decided that the penalty, instead of being 10 per cent should be complete disqualification, so he ordered three-quarters of the candidates disqualified. These men were not Harvard graduates or even Supreme Court Justices and we felt this judicial penalty grossly unreasonable. (On appeal this decision was reversed too.)

Now there is the case of laundry bath attendants. There are more than two thousand titles in the city service and naturally the Commission cannot give a separate examination for each separate title. Fortunately, many of them are cognate and the law provides that the Commission must certify "appropriate" lists and it is therefore enabled to keep abreast of the huge number and variety of vacancies by such certifications.

One hundred fifty-three certifications of appropriate lists were made last year, and one of those certifications was the list of attendant, female, to fill the position of laundry bath attendant, female. The difference in duties is that a female attendant is assigned to the girls' gymnasium in a high school, whereas a laundry bath attendant is assigned to a girls' swimming pool and is required to dry the swimming suits after they are used. This monumental difference in function, however, induced the Appellate Division to denounce as arbitrary and capricious our appropriate certification of one list for the other position. Incidentally, the decision leaves undisturbed in the position of laundry bath attendant a group of non-civil service employees who almost had political influence enough last winter to get an act passed in the legislature to cement them in. They didn't need political influence in the legislature, however. All they sought was given to them by the Appellate Division.

Truly the delights of a reformer are multiplied by the judiciary. This fall in New York State the people overwhelmingly defeated an amendment to give the courts power to review factual determinations of administrative bodies, but despite all these efforts by the people the courts, whose members are incidentally almost unanimously from Tammany Hall, blithely review factual determinations, just as though the people had not voted at all.

EXEMPT JOBS REDUCED

Despite all this, however, great progress is being made in New York City every day. Tremendous departments, such as the Board of Transportation with six thousand employees and the Emergency Relief Bureau with twelve thousand employees, have been placed under the merit system and the number of exempt jobs has been reduced to practically nothing. In another large department such as the Department of Hospitals large groups of employees formerly non-competitive have been transferred to the competitive class. Since exempt political employees have been practically eliminated, the job from now on will be to press as many of the non-competitive positions as possible into the competitive class so that, instead of a qualifying examination, candidates must secure appointment by open competition.

The covering in of highly paid administrative positions to the competitive class has opened up tremendous promotional opportunities never before available to the ordinary civil service employee. The Commission now has on the Mayor's desk for approval —and expects his approval—a resolution eliminating every exempt position in the Department of Water Supply, Gas and Electricity. This huge department, employing as it does more than two thousand persons, will thus be under the merit system from the bottom to the top commissioner at $10,000 a year.

CONSTITUTIONAL PROVISION A SAFEGUARD

Due credit must be given to the basic implement by which such reform is possible, that is, the provision of the state constitution providing that "all appointments and promotions wherever practicable shall be by competitive examination." This provision, buttressed and fortified by strong decisions of the Court of Appeals, has made civil service reform a matter merely of good intentions rather than militant enterprise on the part of the present Civil Service Commission. It is not flattering to realize that its predecessors lacked these good intentions for so many generations past. But now that the system is an operating one, it is our hope, and we feel assured, that it will never regress.

Neither has the Commission lost sight of the great social objectives of the merit system and it is giving steady attention to the three great goals of merit system administration:

1. To eliminate political machines based upon patronage and bring about true democracy at the polls;
2. To eliminate all types of race and religious discrimination in public employment;
3. To operate the public service, and especially the great public utilities of the public service, as efficiently and as conscientiously as the best of private enterprises.

It is significant that a civil service system and Hitler could not exist side by side in Germany and that he was compelled to abolish the merit system in order to preserve his position of Fascist power. It is syllogistic, I think, to conclude that strong administration of the merit system strengthens and supports democratic government as one of its firmest pillars.

With all our troubles, we are exhilarated at the results of a dynamic merit system going forward steadily. Thirty-five services have been graded which means that promotion is on merit and by competition. An administrative service has been established for high-paying executive jobs covered into the competitive class.

A bi-annual service rating system is now extended to all civilian employees of the city, and in-service training courses this year have an enrollment of 4,500. The commission is coöperating with the city colleges in setting up training schools for public service.

Recruiting is steadily improving

and the 316 girls who recently passed the policewoman examination had 369 college degrees among them. On top of the fireman list we had more than one hundred graduate engineers.

Competition for public jobs is becoming keener and we are reaping the benefits of such competition. The Commission is steadily improving its mental and physical examining technique. It is expanding the use of objective tests. Safeguards have been placed about oral examinations and all important ones are now recorded electrically. Rating of papers is done largely by machine, releasing valuable examiners to other important work.

PUBLICITY SERVICE

The Commission has a weekly radio program and a monthly official bulletin and recently the newspaper of second largest circulation in the city, the *Daily Mirror,* established a weekly civil service page to give swift and accurate information to the public.

The Commission's facilities for supplying public information are very important to it. Unfortunately, existing facilities when the present Commission took office were in the hands of a former Tammany officeholder named Frank J. Prial whose chief asset as a civil service reformer was that he had been dismissed on charges from the only competitive job he ever had. So close was his connection to the powers of civil service that there were advertisements for jobs withheld from the city record and made available only for publication by him. The Commission stopped that.

We are building up our own recruiting and information media, much to the alarm of Mr. Prial, and are happy to report that Mr. Prial and his organization still dislike us intensely and will, we trust, continue to do so.

Skilled trades have all been placed in the competitive class and the city is no longer confined to haphazard selection of skilled labor. The Commission is gradually taking over testing for trade licenses within the city and has recently held examinations for plumbers' and welders' licenses and is about to hold tests for motion picture operators' and electricians' licenses. This is an interesting development in merit system administration. Even though understaffed, the Commission is making an earnest effort at research and is now completing study validating tests against certain outside criteria and making careful job analyses.

We are bedeviling the last remaining outposts of spoils. All in all we feel contented and pleased about the merit system advancing in New York City. It is a good and noble fight. Firm support from the public and the Mayor is making it a successful one.

EDITOR'S NOTE.—Address delivered before the Forty-fourth National Conference on Government of the National Municipal League, Baltimore, Maryland, December 1, 1938.

Local Responsibility for Public Assistance

By **GEOFFREY MAY**
Bureau of Public Assistance, Social Security Board

"Though planning must proceed on a nation-wide scale, the ultimate point where the plan and the people meet is still the local community."

THE problems here discussed have been at least three hundred years in the making. The city has held the center of the stage in public welfare planning since the first colonial metropolis, with its few thousand inhabitants, emerged on the eastern fringe of the frontier.

American history may present a kaleidoscope of change in other fields. But in public welfare, right down to the present, the picture is practically unchanging—the picture of the local community, the city, the town, or the county, holding up single-handed almost the entire burden of public responsibility for the needy and distressed—a veritable Atlas. The all-encompassing and far-reaching changes of the past six years have to a considerable extent removed from our cities this onerous distinction. But the fact that they have become partners with the state and federal governments in a genuinely national public welfare program has not reduced their responsibilities, either financial or administrative. The partnership has, in fact, brought new problems.

There were legitimate reasons for the emphasis our forebears placed on local responsibility for the public welfare, just as there have been legitimate reasons for the extension of that responsibility to the states and the nation. In the first place, the local idea of the old Elizabethan "poor laws" was part of the legal baggage brought over in the hold of the *Mayflower*. In the second place, it was the more easily transplanted because, in a new and forest-bound country, only compact and sturdy seedlings of government could take root. There was no real state government, certainly no national government.

A third and once logical reason for local responsibility was the fact that both the people and the government were close to the land; and in an agricultural society the local community was the main source of national as well as individual wealth. A final reason was the mere matter of distance: Baltimore would have been a two-day sail from Washington—had there been a Washington.

But even in those simple, golden days of local autonomy, the administration of public welfare was no idyll. As far back as 1735—a full two hundred years before public welfare was accepted as a national responsibility—Boston, for example, complained that the expense of maintaining the poor had increased from 940 to 2,000 pounds sterling in the preceding six years. And it sent a petition to the Royal Governor of Massachusetts, protesting against this mounting expense on the grounds that the migration of needy persons from other places was burdening it with an unfair share of the current welfare load. This was a straw that showed which way later winds would blow.

As recently at 1923 the cost of relief in a group of representative cities still averaged about one-eightieth of total municipal expenditures. Fifteen years ago relief costs amounted to about fifty cents per capita, when the total municipal expenses were about forty dollars per capita. By 1936 relief was costing municipalities almost as much as the total for *all* municipal activities thirteen years earlier.

INCREASE IN WELFARE COSTS

In 1923 federal welfare expenditures were practically nil, and state expenditures negligible. In 1936 the total welfare bill of the entire nation was five and a half billion dollars of which the federal government contributed more than half.

According to estimates submitted to Congress during its hearings on unemployment and relief last spring, the nation spent an over-all total of some nineteen billion dollars on the major forms of public welfare activity in the five years from 1933 through 1937. About three-fourths of this came from federal funds; but even so some five billions were expended by the states and their localities.

It is generally recognized that the depression was only the most obvious of many causes for this unprecedented development. Our past years of neglect in planning adequate safeguards against the hazards of modern industrial society have been an important factor. Another, still more important, has been the changing conception of public welfare—the abandonment of the old, punitive stigmas of "poor relief," and the acceptance of government activity in this field as an essential balance-wheel in the social and economic mechanisms of our time. To quote a spokesman of the conservatives, Mr. W. J. Cameron, who appears on the Ford "Sunday Evening Hour," "When we speak of helping people today, we do not mean a charity that maintains them in their plight, but a wisdom that lifts them out of it and strengthens them against relapse."

So regarded, public welfare is an investment, rather than a stop-gap. And it is this change which, more than anything else, makes long-range planning imperative. If the activities of the past six years could be regarded as emergency measures, bound to end sooner or later when the emergency passed, we might be content to muddle along. While no one but the supremely wise or the supremely foolish would attempt to predict the future course of public welfare costs and financing, no one can doubt that the socially constructive and national conception of public welfare which has begun to take form within the past few years is here to stay.

But in this new conception responsibility is shared rather than shifted. The increase in federal and state activity does not imply a corresponding decrease in local obligations. Though the city no longer bears the whole financial load, the very substantial portion of the burden which it does carry represents many times its expenditures in former years. For example, the money expended for direct relief, work relief, and old-age assistance in a city about the size of Baltimore came to nearly thirty and a half million dollars in 1936, as compared to less than one million in 1923. Adding to this the other forms of welfare, that city's grand total for 1936 is estimated at around forty and a half millions. About 50 per cent of this money came from the federal government, about 10 per cent from the state. But this did not minimize the magnitude of the city's contribution. The city itself paid over 40 per cent—some sixteen million dollars—as compared to one million in 1923. Though in other cities the proportionate expense borne respectively by the federal government, the state, and the city may have differed considerably, the main lines of the picture are everywhere the same.

There are too many variables, both past and future, to attempt to measure the ultimate effect of federal and state participation upon municipal welfare financing. For one thing, a considerable share of the expenditures made by the larger units of government, as well as by the cities, in the recent past and even today, has been assumed to be on an emergency basis. Programs have expanded and contracted; policies—federal, state and local—have changed rapidly. Meantime, provisions designed from the beginning as permanent and continuing activities—as, for instance, those embodied in the social security act—have begun to get under way. Finally, the very fact that these *are* long-range programs means that their full effects will not be felt over a considerable period of years.

EFFECTS OF LONG RANGE PROGRAM

This is particularly true of the federal old-age insurance system. While social insurance seems the most practicable method of forestalling a continuing increase in old-age dependency, as insurance it does not, by its very nature, reduce the current load. The same thing is true, but in a measurably less degree, of unemployment compensation. All but two of the states are already paying unemployment benefits—twenty of them beginning in January of this year; and in the remaining two states payments will begin by July. But unemployment insurance cannot and was never intended to provide for those of the unemployed who have been without work for some time and so have had no chance to build up benefit credits. Although public assistance, child welfare, and public health provisions of the social security act have already gone into operation, the full significance of their long-time savings to the cities and states have been obscured by short-time influences.

Were it not for the social security act, as well as other nation-wide measures, the burden of municipal relief expenditures might have been well-nigh intolerable. Up to November 1st over $340,000,000 had been paid to unemployed workers in the twenty-nine states that had reached this stage of full operation; at the present time benefits averaging eleven dollars a week are being paid to about one million temporarily unemployed workers. It is estimated that the amount paid to the jobless in 1938 is in the neighborhood of four hundred million dollars. Without attempting to minimize the complex problems of unemployment compensation in relation to other programs, there can be no doubt that this kind of social insurance is helping families to bridge the gap between jobs, and by so much is forestalling increases in the city's relief load.

FEDERAL HELP TO NEEDY

Though still in a developmental stage, the social security program has also made both federal and state funds available for nearly two and one half million of the needy—the aged, the blind, and families with dependent children. In many states localities also contribute to these programs, whereas in the past they usually assumed no responsibility for categorical assistance as such. But this new item in the city's public welfare accounting does not necessarily mean an added current expense; for it is probable that without federal-state public assistance, a very large share of these persons would have been thrown back as "unemployables" upon locally-supported general relief.

One long-range financial problem which affects city, as well as state and federal, public welfare planning arises out of the wide variation in the financial capacity of the states. Take old-age assistance as an example. For the country as a whole, the average monthly allowance is now nineteen dollars; with state averages ranging from more than thirty-two dollars to less than five dollars. Moreover, there is no getting around the fact that, in the parts of the country where resources are low, need is likely to be high. Yet for all that, even the poorer states now have twice as much money as they could raise alone, and by that much their provisions for old-age assistance are more adequate than they would have been without federal help.

While no entirely satisfactory method of maintaining adequate assistance on a nation-wide base has yet been worked out, the social security act has helped the states to meet a similar situation within each state's own boundaries. The requirement of state-wide operation and state participation in financing public assistance has tended to equalize the aid available throughout each state. In addition some of the states have attempted to meet the needs of their poorer communities by having no fixed state and local percentages, so that local contributions can be adjusted in line with the communities' special needs and resources. Other states have provided equalization funds from which the less able localities receive supplementary grants. So far as can be judged from the data now available, there has been no marked tendency to reduce individual payments in cities and other communities able to make adequate provisions. Moreover, as equalization within the state raises the assistance level in its poorer communities, it tends to reduce the migration of the needy to the cities where, in the past, relief was likely to be much more generous.

Another potential financial advantage of making federal and state money available is that it tends to conserve local resources for use in strengthening and rounding out the community welfare program. Broad as is the national interest in the public welfare field, much as it has contributed to some of our most important and expensive needs, it is not all-inclusive. Many essential welfare measures continue to be supported wholly out of local funds. Yet in so far as the states and the federal government aid the community in certain aspects of its welfare program, they aid it in all. As a result cities may in future be able to make their own welfare funds go further, both in coverage and in effectiveness, than they have in the past.

Though the first and most obvious result of federal public welfare participation has been to make more money available, its effect is no less significant in administration than in financing. The new organization has far-reaching effects both on federal-state relationships and on the relationships of municipal, county, and state administrative agencies. In so far as the locality and the state are concerned, the ties between them are now far closer than had existed in many states in the past. And on the whole, state-wide organization probably makes for more economical and more effective administration. But state-wide uniformity, if applied too arbitrarily, may not be an unmixed blessing for the more progressive communities within a state. While tending to raise the level of administration in rural areas and in backward communities, in some cities it might mean regression rather than progress in standards of service. There have also been cases in which the adoption of new procedures has been carried through too hastily and arbitrarily and has caused friction between well established local agencies and the state.

LOCAL APPLICATION SHOULD BE FLEXIBLE

To be effective, a national plan and a state plan should allow for considerable flexibility in adaptation to local needs. Rigidity and arbitrary overhead decisions on matters of local detail offer many and serious pitfalls. But these dangers are not inherent in cooperative governmental activity. The thing to remember is that cooperation works both ways. It demands a sharing of experience all along the line. On the one hand the local program should be strengthened by state and federal participation. On the other hand, state and federal planning should reflect the practical knowledge of how the program is meeting actual needs and the close contact with individuals which can be gained only on the local front. The qualitative development of public welfare—as contrasted with expansion in numbers aided and in money spent—depends very largely on this three-way process of growth.

COMPETENT PERSONNEL

The administration of a public welfare program on what may be described as a "quality" basis is a difficult business. It calls for competence not only on the federal and state levels, but also in the local agencies where the day-to-day contacts with individuals are made and maintained. No matter how much we may improve our organization and machinery, the only known way of achieving competent administration is through competent personnel. Up to the present, and with some notable exceptions in our cities, the acceptance of this principle has shown a sort of inverse ratio to the size of the government unit concerned—from federal to state to local. The battle for efficient personnel and for objective merit standards is still an uphill fight in many parts of the country. But one of the most hopeful trends in this entire field is the perhaps slow but persistent drive in this direction in both state and local welfare agencies. The example of other nations, notably England, which have preceded us in public welfare organization, should encourage us to abandon the spoils system in favor of a career service in public welfare administration, not to mention other government services.

Though our own experience with nation-wide public welfare planning is still so limited in time—if not in area and variety—it has come out at about the same place as the English social services. There, you will recall, the pendulum swung during the nineteenth century from the complete decentralization, inherited from the "poor laws," to what amounted to virtually complete centralization—after which it eventually reached the middle ground of local and national coöperation. We have reached the same middle ground sooner and, I believe, with less waste motion. An experienced British welfare administrator summarizes the national versus local pros and cons this way: National participation is, he says, justified not only by the hard fact that the localities need the cash, which the national government alone can make available, but also by the fact that nation-wide standards and supervision promote more economical and effective administration in all parts of the country and so tend to strengthen the hand of local government. At the same time, local participation is equally essential if the system is to maintain the flexibility necessary for adaptation to community and individual needs.

There can be no question that in this country, as in England, national participation has resulted in more adequate financing and, to a considerable extent, in more consistent and effective policies and standards. It may be questioned whether it has yet solved all the problems upon which practical and realistic assistance to the people is contingent.

We have yet to deal with the local complexities which result from the simultaneous operation of many activities and many kinds of administration within a given community. Thus in many cities welfare services are often dispensed at one and the same time by a bewildering variety of agencies. For example, in a representative city with a population of only about 118,000, there were in active operation last year: a local agency supported solely from local funds, a local agency supported from local and state funds, a state agency supported from local and state funds, a state agency supported from state and federal funds, a local agency supported from local, state, and federal funds, and local agencies supported wholly from federal funds. Administratively, these agencies represent every type of organization from absolute local autonomy to complete federal control.

From the point of view of a worried and harassed John Doe, seeking help for his family, this hierarchy must seem only to make the confusion of his needs and problems worse confounded. If he is out of work, and has exhausted his benefit rights under unemployment compensation, his first impulse will be to go to the WPA in search of a job. He may learn that he must first be certified as in need by the Board of Public Welfare. If no jobs are available, he may receive "dependent aid" from that agency. If John Doe has an aged parent whom he is unable to support, he will be referred to the Bureau of Old-Age Assistance in the Board of Public Welfare. If he is tuberculous he may receive treatment in a sanitarium, and meanwhile his children may be taken care of through a grant for aid to dependent children. If he is a veteran, he may receive assistance from the soldiers' relief. If he loses his sight, he may receive aid from the division for the blind. If Mrs. Doe is ill and he needs help in the management of his household affairs, the Family Welfare Society may assist him in the solution of his problems. It is a wise John Doe who knows where to turn for help in any particular situation. In his search, he may come to wonder whether the problems of the needy could not be met more successfully by fewer agencies; and he may also ponder over the maze of regulations which determine the form and amount of assistance to be granted to him or his family.

When all is said and done, this is the point toward which all our public welfare planning—short-range and long-range—must be directed, the point where John Doe and his family enter the picture. For this we are attempting to work out an effective administrative organization manned by competent personnel; for this we have enlisted all three branches of our government; for this we are striving toward efficient co-operation among all the agencies concerned; and for this we are spending billions of dollars. And,

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Baltimore Finds a Plan

By WILLIAM J. CASEY
Chairman, Baltimore Commission on Governmental Efficiency and Economy, Inc.

Citizen's organization helps keep Baltimore modernized by recommending application of up-to-date business methods to operation of the city's government.

FUTURE planning of our cities must reckon with the fact that the municipal corporation is a continuing and perpetual body, designed to serve not only existing but also unborn generations, in promoting and in preserving the well-being of the people, as well as the economic life of the city.

City planning in its broadest and most effective form is inseparably linked with the management of the city. To furnish and keep projecting a scientifically designed and practical pattern for guiding the physical development and improvement of the city, is not the whole story. It must be attached to an equally sound and permanent system of managing the administration of the public business. In our larger cities municipal administration is big business. Its success must depend upon the adaptation and employment of approved methods of business administration that characterize big business in its private operations.

Baltimore has been made ready for public works planning by the adoption some years ago of just such a procedure. This undertaking, which has often been called the Baltimore Plan, received its first translation into actual performance in 1923. The hub of the idea was that a commission be selected from the largest taxpayers, such a commission to be of qualified managerial experience; that it be given the open door to all city operations, with entire freedom for examination and survey of the methods and systems in use in the administration of public business; that the Mayor adopt the recommendations of that commission as the most practical way of introducing modern business methods into operation of the city government.

This commission organized and adopted the name of the Commission on Efficiency and Economy, giving precedence in its name to efficiency as the first essential in the administration of the public business, with economy as the second essential and inevitable result of efficiency. Directly and by groups the personnel of the commission represented approximately 25 per cent of the aggregate local taxes annually collected by the city of Baltimore on real and personal property.

There was thus inaugurated what may be now termed the first chapter of this Baltimore Plan. The achievements of this body led to the creation of a permanent organization, known as the Commission on Governmental Efficiency and Economy, Inc., which has been functioning actively since 1930.

None of the old-fashioned nostrums for improving the character of government are to be found either in the work of the first commission or in the continuing work of the present body. In neither case has public office been sought or wanted, nor have so-called reform movements, muckraking or attacks upon public officials had any part in the plan and operations of either of these organizations.

There has been a philosophy running through the policies of both of these organizations that public officials were worthwhile and capable people employed in the public service, and that what they needed most was the modern methods and systems which big business has developed and refined for its own successful administration, plus opportunity for security and protection, as well as the recognition that a municipal employee is something more than a political jobholder.

COMPARISON OF COMMISSIONS

These two distinct bodies, the Commission on Efficiency and Economy and the Commission on Governmental Efficiency and Economy, Inc., separated in their activities by a gap of several years, nevertheless had an orderly relation to one another in rounding out the advantageous position now occupied by the municipal corporation of Baltimore in the administration of the public business.

The first commission was confronted with the task of an extensive reorganization of the administrative structure and methods of the city government. The present commission fortunately came upon the scene as the city was following the procession of other municipalities towards financial chaos, halted that trend, and brought about the adoption and maintenance of a sound financial policy.

There was a difference between these two commissions. The first Commission on Efficiency and Economy, which functioned from 1923 to 1927, although conceived outside of the city administration, was made official by the Mayor's appointment. There was a moderate contribution from city funds towards its expenses, applying solely, however, to the salary of the executive secretary and stenographic help, with some occasional aid in the way of services of city employees. The greatest part of its work was accomplished by a volunteer staff recruited by the commission and borrowed from private employers without cost to the city of Baltimore.

The first commission limited its activities to the administrative structure of the city government. It did not attempt to deal with public policies nor with the form of the city government in so far as the mayor and city council type of government was concerned, nor did it undertake to pass upon the departments of the city government for which private business had no parallel activities, such as education, fire, health, and police; although it made available to these departments improved methods and systems of accounting, purchasing, and business management developed by its staff.

The reorganization program sought to define sharp lines of responsibility, to simplify and straighten direct lines of authority, and generally to consolidate or bring under central control like functions found duplicated in the forty-five city departments.

This program aimed to develop two major operating departments, one Accounting and Finance, in which would be centered all accounting and fiscal operations; the other the Department of Public Works, in which would be centered all engineering, plant operation and maintenance, utilities, etc., then scattered among some sixteen independent and uncoördinated departments, many of which were administered by citizen commissions or boards.

DEPARTMENTS CENTRALIZED

In place of the so-called checks and balances supposedly obtained through those boards, there was substituted centralized accounting; all city operations to be translated into dollars of cost, and the various controls used in private business established.

A centralized Bureau of Disbursements was created and there was installed a modern accounting procedure, providing for the encumbrance of appropriations with commitments and other liabilities as soon as incurred, with a monthly reporting to all departmental administrators of a true picture of the status of every appropriation, whether the cash had actually been disbursed or not.

Conditions disclosed by the survey of revenue accounts and collection procedures suggested the installation of a centralized collection system, and to that end the Bureau of Receipts was created. Under the new system the city has collected more than 95 per cent of its current levy during the twelve months to which that levy applied, whereas under the old system the accomplishment was only about 80 per cent.

In place of archaic methods of paying employees, there was substituted a centralized Payroll Bureau and modern payroll practice.

These early installations were the foundation of a modern general accounting system, including cost analysis. An inventory and appraisal of all city property was made. The foundations of an actuarially sound employees' retirement system were laid.

The first commission dissolved in 1927 at the end of the term for which the mayor had been elected, leaving a number of things unfinished.

The succeeding city administration showed such a lack of interest and sympathy with the accomplishments of this commission that there arose a public demand for an independent body to take up where the old commission left off, and to carry on as a permanent organization. This demand was met by the organization of the Commission on Governmental Efficiency and Economy, Inc., under the sponsorship of the Baltimore

Association of Commerce and the Real Estate Board of Baltimore.

The organization started its work in 1930. In its set-up rigid provision was made to maintain it as a nonpartisan, impartial, fact-finding agency with a full-time staff constantly at work collecting, analyzing, and interpreting facts about the important details of city operations, comparing them with analogous operations in private business and with results obtained in other cities. It looks ahead to learn the effect of public policies, so that hidden dangers may be brought to light for study and control.

The governing body of the commission is a board of trustees of twenty-one, none of whom may hold political office. The commission is wholly supported by voluntary subscriptions from civic-minded citizens.

The new commission first undertook as its task, restoring and holding the ground gained by the first commission, completing its unfinished work, and taking up important phases of city government that were not within the scope of the former organization. Its first undertaking was a study of the debt situation.

As a result of the commission's early studies of the city's debt situation, a $69,000,000 new debt program was reduced to $29,500,000, and finally only $7,500,000 of that reduced program was submitted to the voters for ratification, thus saving the equivalent of thirty-five cents on future tax rates.

A practical holiday from debt-making was adopted by restricting the issuance of bonds already authorized to an amount less than the amount of debt annually retired by the city, thus avoiding additional increases in annual debt service costs, and making possible a $16,000,000 net reduction in the city's net funded debt in the past five years.

FINANCIAL PLANNING

Debt studies to which the commission first turned its attention disclosed the costly absence of any comprehensive and balanced program of public improvements. For a year or two practically the entire program would be for highways, then for the next few years there would be no provision for highways, particularly if the dominant administration officials happened to be water or sewer engineers instead of highway men. Every new administration generally adopted a new direction for the expenditure of funds for public improvements, and there thus was no long range plan or goal to wisely guide utilization of such expenditures, which had been averaging about $10,000,000 a year for fifteen years.

To correct such a situation and such a policy, the commission presented to the city a comprehensive system of city planning which took into account a planning procedure of three phases, namely, the legislative phase, the physical phase, and the financial phase. This system is now the subject of a pending ordinance designed to set up and assure city planning for Baltimore on a comprehensive, continuing, and non-political basis.

As illustrating the need for follow-up, the present commission found that the central purchasing system installed by the original commission had been allowed to deteriorate. Starting from the ground, the present commission had to rehabilitate entirely the purchasing system and place city purchasing on an open and competitive basis under experienced supervision.

SAVINGS REPORTED

A method of analyzing the monthly reporting of the progress of city revenue collections was adopted to accompany the monthly report of expenses, thus making available for the guidance of the city administrators a complete income and expense statement of the current budget accounts and the monthly financial situation. The revenue analyses also enabled accurate estimates of collections upon which to base the annual city budgets.

Due to various economies and efficiencies, the budget appropriations for ordinary annually-recurring departmental expense items for labor, material, and supplies were $3,200,000 less for 1938 than for 1930, the year the commission began to function. This reduction remained even after allowing certain increases since 1933 because of the improvement in the general business situation.

The adoption of permanent central registration and voting machines has already resulted in a $180,000 decrease in costs, with greater savings in future expected. The adoption of a more precise formula for calculating the city's annual contribution to the employees' retirement system is saving about $160,000 a year over the former methods.

Following the commission's survey of sheet asphalt street-repair practices, current costs indicate a 40 per cent reduction.

The method advised by the commission, and followed in the city-federal PWA program, has resulted in the city not being currently committed to costs beyond the financial participation of the federal government, and has also resulted in advancing completion of construction projects started.

Reduction of inventory of materials carried on hand at the start of the depression avoided unnecessary purchases and indicated thereby a saving of about one cent on the tax rate.

Analysis and publication of damages awarded for property taken by the city for certain highway improvements led to reorganization of policy and practice, resulting in awards more in line with assessed values.

Other savings have been accomplished or increased costs avoided through management efficiencies and better controls which have followed various studies and recommendations. The results of these reduced costs are not readily translatable into dollars of savings, but the studies are none the less important in marking achievements towards governmental improvements in Baltimore.

Outstanding in this class of achievements are the installation by the city accounting forces in

1932 and 1933 of a general accounting system and cost analysis as budget controls and aids in budget-making, and the annual statement of pertinent financial data compiled and issued each year by the commission since 1930. This annual statement is in demand by financial institutions and investors throughout the country, and in the opinion of those users, the statements have contributed to the improved marketability of the city's bonds and have returned direct benefits to the city.

Other improvements include the annual city budget reviews, procedure for abating taxes on property acquired by the city, protection of cash receipts, analysis of tax delinquency, salary standardization, appointment of qualified and experienced personnel as department heads, institutional purchasing. Lately the problem of public welfare and relief has been studied.

The recital of the foregoing subjects of study has been for the purpose of illustrating the self-appointed task of this research agency in applying to government the policy of successful business in pursuing research for the purpose of developing more effective and less costly services and commodities.

In undertaking to answer in an orderly fashion the question of how to plan for tomorrow, we employ the knowledge of outstanding authorities in the field of municipal government, and view the experience of the past from the vantage point of today. This would lead us first to the necessity for installing efficient and economical administrative methods.

Our second objective would be a sound financial structure for the municipal corporation, so embedded in the organic law that nothing short of a public catastrophe could upset it. These objectives would be the foundation from which to project a scientifically designed and practical pattern for guiding the physical development and improvement of the city.

Baltimore has experienced the accomplishment of the first two of these objectives. Our continuing problem is to hold the ground thus gained, and to extend and strengthen the means and methods for raising the standards of local governmental performance. That is the contribution which the Commission on Governmental Efficiency and Economy seeks to make towards sound and broader planning.

Its findings, studies, and reports are made available to public officials for their application, and employed to develop and secure an informed public opinion which, in the last analysis, is the only real safeguard for efficient and economical public administration—the foundation of planning for tomorrow.

Michigan's First Year of Civil Service

By **JAMES K. POLLOCK**
University of Michigan

A well thought out program, placed in capable hands, has produced vastly satisfactory results.

THE year 1937 was a notable one for civil service advocates because it resulted in so many new and significant extensions of the merit idea into areas hitherto the sole hunting ground of political spoilsmen. Among the significant adoptions of civil service in 1937 was that by the state of Michigan, which after a century under the spoils system, and after a heavy battle in the legislature, enacted a thoroughgoing, modern personnel program which was approved by the Governor on August 5th. Despite the provision of the law which delayed the coming into effect of the act until January 1, 1938, the Governor, realizing the tremendous amount of work and planning required to institute a new personnel system, promptly appointed the first Civil Service Commission and also the first Personnel Director under the act. By September 25, 1937, the Director was on the job locating office space, selecting employees, and doing the scores of other tasks which must be done in starting a new program.

This early start was made particularly necessary by virtue of one very restrictive amendment which the legislature attached to the bill in its passage through that body, namely, that the qualifying examination program for present employees had to be completed by July 1, 1938. Fortunately, appropriations had been provided for both fiscal years of the biennium, and due to the coöperative spirit displayed by the Budget Director and the Governor, no difficulty was encountered in having funds released for necessary services prior to the legal commencement of the act.

Thanks to the wisdom and public-mindedness of the state's chief executive, who had taken over the program formulated under the administration of his predecessor and pushed it through to a successful conclusion, an unusually high class Civil Service Commission was appointed, and one of the country's leading personnel technicians was placed in the all-important post of Personnel Director. Many have been the occasions when these excellent choices have stood out to prove the oft-repeated warning that "civil service is good or bad depending upon the persons who administer it." Michigan was exceptionally fortunate in securing the services of what has well been called an all-time, all-American Civil Service Commission, and also perhaps the only man as Director who could have carried the unprecedented load which was dumped on his shoulders.

Looking back on this first year of civil service in Michigan, we are able to appreciate the pro-fundity of the remark made by New York's brilliant and remarkable Mayor that, "in the case of the civil service baby, the labor pains come after the birth rather than before." These "labor pains" have been serious in Michigan—as no doubt they are in all new jurisdictions—but they have been borne with fortitude because of the favorable and unfailing public support which was ready at all crucial moments to rise up and defend the state's newest and lustiest infant. If any factor, other than that of competent administration, can be pulled out of a complex situation and be given some of the credit for the success of the program, I believe most persons would agree that the informed public opinion on civil service matters which was so carefully developed during the stage when the program was being formulated, was such an important factor.

STORMS WEATHERED SUCCESSFULLY

Again and again, in this first year when difficult and potentially dangerous parts of the program were being launched and loud opposition raised its head, strong support from all over the state came to the defense of the new system, and all of the storms have been successfully weathered to date. When the classification plan was up for adoption, when for the first time the state was to be placed under a carefully formulated pay plan, when the results of the qualifying examinations were made known—in all of these important instances, friends of civil service rallied to the support of the system, and the new department was enabled to move on to the next part of the program.

So indispensable is this well developed and organized public support that I am prepared to say most positively and sincerely that I would not urge any unit of government anywhere to embark upon a new personnel program until public opinion has been carefully prepared for it. For even if the infant agency is able to weather the serious storms which it is bound to face in its early period, it will need all the public support it can command to keep on living, once it is established. Like every other regulatory program, civil service has to be prepared at all times to defend itself from those whom it is regulating—in this case, the politicians. And politicians are the hardiest, albeit the most important, of animals, and they have a way of refusing to be excluded from preserves in which they have formerly operated. Michigan's first year proves the necessity for advance preparation for civil service. In these days of rapidly expanding civil service programs, it is well to keep this point in mind.

In this same connection another point is worthy of mention in passing. The new Michigan agency has encountered great difficulty in securing enough properly trained technicians to do the work incumbent upon it. Although a very competent staff has been recruited—admittedly one of the best in the whole field—this was done with the greatest of difficulty and gaps in the organization still exist which it has not been possible to fill. If existing personnel agencies do not now have the staffs with which to tackle their present-day problems, where are we going to be in another year with a vast federal program on the way and with new programs being launched all over the country?

DEPARTMENT SET-UP

It should first be pointed out that the speed with which a comprehensive program was put into operation was one of the outstanding features of the first year's work. The time limits imposed by the law, together with the deficiency in highly trained personnel, necessarily limited the early operations to the basic personnel functions. The department organization which was set up greatly facilitated the completion of the first year's tremendous program. Three sections, each in charge of a principal staff member, were created: a recruiting section; a transactions section in charge of classification, compensation, and all in-service transactions; and an administrative section in charge of all routine and administrative operations including payroll auditing, certification, roster, statistics, and the usual housekeeping functions.

Fortunately, the hopes of the framers of the program regarding the position of the Director and the Commissioners have been almost completely fulfilled in practice. The line of demarcation carefully drawn in the act between the functions of the Director and the Commission has been intelligently observed: the Commissioners, occupying unpaid positions, have not been politicians, but very prominent and distinguished citizens; and the Director, occupying a position which is relatively well paid, at least for Michigan, has been given full and complete charge of the administrative side of the job. Only when consultation or advice was necessary or when the act specifically required the collaboration of the Commission, has it been necessary to bother the Commission. Twenty-three formal meetings took place during the first year of operation, although the members of the Commission and particularly the Chairman were in constant communication with the Director. In other words, the relationships between Director and Commissioners have been almost ideal. The Director has had from the beginning the confidence of the Commissioners and they have backed him up when this was necessary, and at no time have they interfered with the administrative work of the department. The Commission will undoubtedly get more opportunities to protect the system against partisan attacks, and to promote the merit idea, thus proving the necessity for its existence.

In the second place, the examining program has been notable. Employees were not blanketed in under the act. They were required to pass qualifying examinations in order to retain their positions. This necessitated the most extensive examination program of its kind ever to be undertaken by any civil service agency, old or new. Some 16,000 employees were examined in 1,200 different classes of employment. Twelve hundred and twenty-five, or 8.3 per cent, failed and 518, or 3.5 per cent, were demoted.

If anyone doubts the value of such an elimination program at the beginning of a new civil service program, let him come to Lansing and study the results of these qualifying examinations. He will then understand under what handicaps every other civil service jurisdiction in the country has operated until the original incompetent hold-overs have eliminated themselves by death or resignation.

ESTABLISHMENT OF LISTS

Another fact of importance is that an unusually heavy schedule of open competitive examinations had to be carried on concurrently with the qualifying examination program in order to establish lists of eligibles to meet the needs of the service in replacing some of those who failed in the qualifying tests and in filling normal vacancies. Furthermore, a vital compromise in the law required the department to collaborate with appointing authorities in preparing qualifying examinations. This procedure helped to acquaint department officials with testing techniques but it imposed a greatly increased burden of conferences on staff examiners.

The almost overwhelming task of scoring the large number of short answer tests was made possible only by the use of the answer sheet and stencil scoring technique on a scale never before approached by any other public personnel agency. Two other interesting features were the extensive use of accumulative or "step-ladder" examinations thus enabling the examiners to test for large numbers of classes with a minimum of expense and time involved in duplicating, assembling, and scheduling, and the placing of test items on International Business Machine punch cards together with the adoption of the Dewey decimal relative index system for coding test items in all fields. This latter project when completed will provide the most accurate and versatile method of handling test items yet devised.

Finally, the fairness with which the examiners evaluated all portions of the employees' records, and their efficiency in doing it, marks the qualifying examination portion of the year's work as outstanding and highly commendable.

With reference to classification and compensation, the law vested power over these matters in the Commission. Since the only practicable way to conduct examinations was by classes, it became necessary to construct a classification plan and make an allocation of state positions before tests could be given. The distinctive feature of the Michigan classification plan is the extent to which classes have been graded on the basis of duties and responsibilities, these grades extending throughout the entire state service. For instance the position of General Clerk A—the highest clerical class—was found to be of the same difficulty and responsibility as the class of Field Investigator A. The symbol A designates the highest level of non-professional classes. Ten full grades and four half-grades were defined on the basis of relative work to the state. I am not aware that such a carefully integrated grading plan has ever before been attempted in a large service. Under this scheme it was possible to demote to lower grades persons not found qualified by the examinations for the positions which they held. The Michigan plan may also prove distinctive in the manner in which it is maintained. A program of annual audits together with constant rewriting of class specifications for each new examination has been undertaken. To date some 250 of the original class specifications have been redrafted, and broad revisions of age limits and training requirements are under investigation.

SALARY SCHEDULE ESTABLISHED

The compensation plan was established only after an exhaustive field survey of wages and salaries in other public jurisdictions and in private industry had been made. Its distinctive features are related to the schematic arrangement of classes. Its adoption resulted in temporarily increasing the size of the state payroll, and also in eliminating hundreds of cases of unfair compensation.

In the matter of personnel procedures and office management, the new Michigan Civil Service Department must be placed very high in any list of efficient personnel agencies. In routinizing and mechanizing the clerical work of the department, the new agency has probably gone farther than any other in the field. The proportion of the department's total budget for personal services required for clerical and administrative expenses is relatively so low that a larger proportion of it can be used for the salaries of technicians. Even with the temporarily high cost involved in employing so many test checkers for the large examining program, only 58 per cent of the total budget for personal services was expended for clerical and administrative expenses. In some cases machine methods new to the field of public personnel administration and especially prepared for the use of the Michigan department, were employed. Uniformity of treatment in personnel transactions has been safeguarded by the fullest possible use of departmental manuals of procedure, standardized forms, and regular and routinized methods. The rules and regulations, which were carefully prepared and adopted, have proved very satisfactory in practice and contain a number of distinctive features which it is not possible to elaborate upon at this time.

Another of the newer features of the Michigan program which attracted attention was the provision for "the open back door." Although this provision has not been operative long enough properly to judge its value, it is possible at this time to indicate that the new department has at least been relieved of a burden which afflicts other jurisdictions, namely, of having to devote so much time to the trial of all cases of dismissals from the service. During the year, 173 dismissals occurred, but in only four cases did the Commission, when presented with the record, feel called upon to give trials to dismissed employees, and in these four cases the dismissed employees were placed at the head of the proper eligible list. In only about half of the cases did the dismissed employees even petition the Director for an investigation or a trial. Employee organizations, however, are already urging the closing of the back door even before it has had a fair trial. Nevertheless, the first year's experience under the provision gives no grounds for complaint, and from the point of view of public reaction, it still offers a convincing reply to the oft-quoted complaint against civil service that it perpetuates too many loafers in their jobs. It is to be hoped that this good feature of the Michigan system will not be prematurely changed.

During the year a study commission was appointed to formulate a proper superannuation plan for state employees, and this plan when prepared will be presented to the next session of the legislature. Promotional examinations have been given in considerable numbers and a training program for student personnel assistants in the Civil Service Department has been operating throughout the year in coöperation with the University of Michigan. To date it has not been possible to develop other training programs for employees, nor to work out anything new in the fields of service ratings and transfers. The probationary period, however, is being handled with more emphasis than is usual in other jurisdictions because of the strong provisions of the act in this regard.

COST OF OPERATION

One final matter of importance should be earnestly and frankly discussed. This is the matter of financial support for personnel work. Again and again civil service supporters have pointed out the vital importance of this subject. Almost as many times, no satisfactory answer has been given to the query as to how much money a personnel agency really needs to perform its work on a modern basis. The Civil Service Study Commission in Michigan, after a complete survey of all existing personnel budgets, and after collecting the opinions of nearly all the persons of importance in the public personnel field, came to the conclusion that it would take about $200,000 a year to successfully operate a state agency like that of the state of Michigan which at that time had about 15,000 employees. It was discovered that some experts figured out a budget on the basis of a certain percentage of the payroll, but others figured that personnel costs could be estimated on the basis of so much per employee.

The commission, finding no agreement among personnel experts, did what seemed to be reasonable, and worked out a budget proposal on the basis of the experience of existing state agencies. The legislature, however, acting on the suggestion of an able Budget Director who was advised by Public Administration Service, used the plan of so much per employee. It is interesting to point out that this basis has not been satisfactory in practice, and it has been necessary for the Civil Service Commission to secure additional funds from the "little legislature" in order to complete its extensive program. In the first full year, the sum of $203,756 was expended for all purposes—a very modest sum indeed when one is informed about the heavy examining program, the purchase of equipment, and even the rental of office space.

AN UNSOLVED PROBLEM

This experience is cited not by way of criticism, but by way of indicating that one of the unsolved problems in the personnel field lies in the answer to this question: how much money is needed to install and operate a modern personnel system? This challenge has been thrown down at many personnel meetings in the last three years, but an answer has not yet been given, let alone a satisfactory answer.

This résumé of some of the important aspects of Michigan's first year with civil service should not omit mention of certain restrictive provisions in the law which have proved to be unfortunate, and of certain objectives which have not yet been reached. So far as the law under which the system operates is concerned, it is now clear that the amendments to the original proposal which were made by the legislature did not improve but on the contrary weakened the original proposal. The present provision on political activity of employees has proved inadequate; too many positions were exempted from the classified service, including division heads and assistant attorney-generals; the provision for coöperation with local authorities was cut out of the law; and a restrictive provision regarding examinations was inserted. The next legislature should bring improvement in these and other respects. Regarding future objectives, it is clear that employee morale still needs considerable improvement, and that it will be a slow job to provide the necessary incentives which have been lacking during the long dry spell when the spoils system flourished unabated. Securing good applicants for state positions continues to be something of a problem, and only a start has been made in integrating educational levels with openings in the state service. In the great rush of the first year, too little attention has been given to public relations, and also to administrative relations within the state service. Definite steps must be taken along both these lines in the immediate future.

We should be most happy, however, that such an auspicious start has been made. A well thought out program, grounded in public

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Tax Relief for Real Estate

By HENRY J. AMY
New York City Citizens' Budget Commission, Inc.

A discussion of the recent trend toward tax limitation and homestead exemption especially as it relates to New York State.

THE demand on the part of owners of real property in the various states for constitutional or statutory provision for tax limitation and homestead exemption is the logical result of the crushing burden of taxation which has been and is being placed upon real estate. These two subjects have assumed increased importance in recent years as a result of the growing tendency in many states to pay heed to the demands of the proponents of such measures.

Throughout many parts of the country, real estate for years has been bearing a disproportionate share of the cost of local government. This burden has been all the more oppressive during the past eight or nine years, during which the income of the taxpayer has been reduced far more than has his tax burden.

It is easy to fix the responsibility for the disproportionate tax on real estate. The real property tax is one of the easiest taxes to collect and the hardest to evade. Since the owner of real property cannot conceal it from the assessing authorities or remove it from the jurisdiction of the taxing authorities, there is a natural tendency on the part of public officials to finance increased local government costs by increased property taxes rather than by the imposition of new taxes, the collection of which cannot be enforced so easily.

The demand for new and expanded public services and the reluctance of public officials to resist such demands, however lacking in public merit they sometimes may be, added to the tendency of some public officials to advocate and sponsor public improvements or services without due regard either for their capital cost or the means of financing their maintenance, are among the primary causes for the ever increasing cost of local government which is bound to be reflected in increased taxes.

But these are by no means the sole causes. Much of the burden of local property taxes is due to duplication resulting from the multiplicity of overlapping units of government. Some of these units serve a useful purpose, but many of them, particularly in New York State, could be abolished without any detriment to the public service and with distinct benefit to the taxpayers. Wasteful expenditures, excessive salaries for some public employees, retention on the payroll and addition thereto of unneeded employees, too liberal civil service retirement benefits, are some of the other causes of higher costs of local government. And it is generally the owner of real property who pays for these and other unnecessary and unwarranted public expenditures.

As long as public officials, be they state or local officials, view real estate as a source of unlimited tax revenue and refuse or fail to recognize the fact that with respect to real estate the power to tax is gradually approaching, if it has not already become, the power to destroy, just so long will state and local legislative bodies be pressed by demands which will become ever more insistent for tax relief for real estate through the medium of property tax limitation and homestead exemption.

When public officials realize that this movement is aimed not alone at giving relief to the inordinately taxed property owner but also at economy in state and local government; when those officials recognize the fact that there must be a reversal of the present trend toward constantly increased governmental costs regardless of whether the burden of that cost is borne by the owner of real property or of any other form of wealth; and when public officials act accordingly—then and only then can they look for a diminution in the spreading tendency to limit the extent to which that burden may continue to be imposed on one class of our population or in the growing demand for some form of tax relief for that most important element of the population, the home owner.

The tax situation in the State of New York is indicative of the situation which exists, to a greater or lesser extent, in many other states.

In 1929, the peak year for collections from the normal state personal income tax, when there were no emergency sales or other taxes for unemployment relief in the City of New York and no state motor fuel taxes or liquor taxes, the total of all state and local taxes was $1,053,236,547. Of this sum real property taxes accounted for 70 per cent, or $740,232,836.

INCREASE IN TAXATION

In 1936 the total of all state and local taxes, exclusive of temporary emergency relief taxes in the City of New York, exclusive of state motor fuel taxes and exclusive of state liquor taxes, but including a substantially increased normal personal income tax as well as an emergency income tax, was $1,041,572,149, of which $754,914,528, or 72 per cent, was collected in real property taxes. Of that total the personal income tax collections amounted to $89,581,049 or about 9 per cent. The total of all taxes collected for motor vehicles and motor fuel was $105,950,261, or about 8½ per cent of the gross collections.

During the same period the total assessed valuation of real estate in the State of New York declined from over twenty-eight billion dollars in 1929 to twenty-five and a half billion dollars in 1936. Thus it appears that, although the assessed valuations of real estate in 1929 were 10 per cent higher than in 1936, the taxes paid by real estate were fourteen million dollars more in 1936 than in 1929 and the percentage of the total tax load which real estate bore was 2 per cent greater in 1936 than in 1929.

DEMANDS FOR RELIEF

This is a condition which real estate owners, and particularly home-owners, cannot be expected to accept and it is not unreasonable that there should be a powerful demand on the part of home-owners, who are among those hardest hit by the recent depression, for some relief from their present tax burden and assurance of protection from further increases in that burden in the future.

The form of relief which has been approved in some states and is being advocated in others is of two kinds, general real estate tax limitation and partial tax exemption for home-owners, generally referred to as homestead exemption.

There are three schools of thought on tax limitation. The first embraces the owners, both large and small, of real property which for years has been overassessed or overtaxed or both, and who have with the utmost difficulty and frugality been able to pay their taxes and meet their mortgage requirements during the lean years and who visualize the ultimate loss of their investments if tax relief is not forthcoming. These people advocate, and not without some justification, the most restrictive limitations they can obtain.

The second group embraces public officials, civil service employees, with particular reference to teachers, minority groups who do not directly pay real estate taxes but who benefit individually and collectively from public largesse, all of whom realize only too well that the power to spend is governed by the power to tax and who object to any limitation, however liberal it may be, upon the power to spend. In this group also may be included some investors in public securities who fear for the safety of their investments if there is any limitation upon the power to levy taxes.

The third school of thought embraces a much smaller group than either of the two extremes. It is to the doctrine of this third school that I subscribe and I do this not alone as executive director of an organization dedicated to economy in local government in New York City, but also as an individual property owner. I believe that owners of real property are entitled, through the medium of tax limitation, to tax relief and protection against future unwarranted taxation. But I believe that such a limitation must be imposed with due regard for the public welfare and equally due regard for the rights of investors in public securities. In other words, I favor a middle ground which probably meets with little favor among either of the other two groups.

In the first place, I am unalterably opposed to any constitutional or statutory limitation which restricts the power to levy taxes to pay the interest on and principal of long term debt. I believe the proper way to limit the amount of taxes which may be imposed to service the permanent debt is to limit the power to contract indebtedness. To such a limitation I fully subscribe. Most of the tax limitation measures in effect today, exclusive of New York State, are overall, inclusive of taxes for debt service.

Let me distinguish between an overall and an overlapping tax limitation. I favor an overlapping limitation, one that is inclusive of the taxes levied by overlapping units of government. In New York State only the City of New York, where there are no overlapping taxing units, enjoys the benefit of an overlapping 2 per cent tax limitation. Under the recently amended state constitution, after January 1, 1944, all cities and villages will be under the 2 per cent limitation, but nowhere except in New York City will that limitation be an overlapping one. Attempts to write an overlapping tax limitation into the new constitution were unsuccessful.

It is argued that an overlapping limitation cannot be made workable. I agree that it cannot be applied to an individual parcel of property, but it can and should be applied to the property of any city, town, or village as a whole. The taxes of special improvement districts present a problem, but I would favor excluding those taxes from the limitation and advocate constitutional restriction upon the creation of any new special improvement districts. The new constitution in New York is a step in this direction, but it does not go far enough.

LIMITATION MUST BE MODERATE

A tax limitation that is too drastic will, in my judgment, defeat its own purpose. To proceed on the theory that real estate tax limitation is to be merely a medium for transferring a part of the existing tax load from real estate to some other form of wealth is, I believe, a mistake. Such a course not only invites but may compel the imposition of new taxes which, though not paid by the owners of real estate as such, nevertheless are all too often reflected in their total tax payments. It is my belief that a properly conceived limitation is one which is based upon a reasonable conception of the actual needs of local government, as well as the ability of real estate to pay taxes without hardship, but which, though sometimes compelling reduction in governmental expenditures, is not so drastic as to preclude the possibility of those reductions being effected through economies.

Tax limitation should be considered as a means toward economy in government as well as a medium for relief for property owners. The fact that most tax limitation measures in effect today were not so conceived accounts for the criticism that has been leveled against them. But I cannot subscribe to the often expressed theory that, because a 1 per cent overall tax limitation in Ohio may have played havoc with some essential public services, no tax limitation is feasible or practicable in any other state. This claim of the rabid opponents of tax limitation is about as sound as a contention that, because I cannot wear a size eight shoe, no one can wear any shoe.

TAX LIMITATION IN NEW YORK

New York State has had constitutional tax limitation for fifty-four years. But up to the present time it has applied to only six counties outside of the City of New York and only seven cities of the state. It has not worked any hardship on any of the seven cities. As a matter of fact, not until 1938 has New York City reached its constitutional limit. But every taxpayer in the city is grateful for the limitation at the present time.

Were it not for the limitation we would have had higher taxes in 1938. And it is a matter of common knowledge that only the constitution stands in the way of higher taxes in 1939 aggregating almost twenty-eight million dollars. The state constitutional tax limitation forced economy in government in 1938 and it will force it again in 1939. There is nothing like a good dose of compulsion for uneconomical government.

When New York's constitutional convention was considering extending the 2 per cent tax limitation to all cities and villages, a survey was made of the probable effect upon the cities of the state. Data furnished by the mayors of all of the cities disclosed that not more than nineteen cities would even be compelled to effect economies to get along within the limited taxing power and not a single vote was registered against the amendment in the convention. The only valid objection to the amendment has come from taxpayers who rightly feel that it is not restrictive enough and object to its not being overlapping.

I favor a constitutional rather than a statutory limitation for the same reason that its opponents oppose it. A statutory limitation is far too easily altered. I advocate, first, a reasonable tax limitation and second, that it be written into the constitution. But I do not advocate the overall type of limitation which applies in practically all other states which have such measures.

The new debt and tax limitation provisions of the recently adopted New York State constitution, I believe, are indications of a definite realization in that state that the owners of real property must have protection against unwarranted taxes. And it should be pointed out that the article of the constitution which covers these provisions was approved in spite of the fact that it was grouped with a host of other amendments, some of which were considered by thousands of voters as more detrimental to property owners than that article is beneficial. Here are a few of the more important provisions to be found in this new article on local finances.

As previously stated, the present 2 per cent tax limitation, formerly applicable only in cities of 100,000 population or more, is extended five years hence to apply to all cities and villages. In order to eliminate opposition from educational groups in the few cities which may be adversely affected, the legislature is given the right to authorize exclusion from the tax limit of all or any part of the cost of education in any city or village not formerly governed by the limitation.

DEBT LIMITATION

Rigid restrictions are imposed upon the contracting of debt and the issuance and refunding of bonds by all municipalities, which will have the effect of restricting the amount of taxes which may be levied for debt service. Debt service requirements are made a first lien upon a municipality's revenues. Provisions for exemption from the debt limitation of indebtedness contracted for revenue-producing purposes permit such exemptions on an annual basis only so long as the revenues are adequate to cover the fixed charges and maintenance costs. This in itself is a measure of tax limitation. Restrictions are placed upon the creation of new improvement districts and the powers of such districts to contract indebtedness.

The tax limitation as well as the debt limitation is based upon the five-year average of the current year's and the four preceding years' assessed valuations, instead of upon the current year's valuation as formerly. This will make more uniform the annual taxing power of municipalities and prevent abnormal increases or decreases in the permissible tax levy. It should serve to discourage increases in assessed valuations merely for the purpose of increasing the taxing power.

Perhaps the most important provision is that which deals directly with the limitation on taxes. Formerly there was some difference of opinion as to whether the 2 per cent limitation was exclusive of the taxes for all debt service or merely for that of the permanent debt. In practice it has been construed as exclusive only of the latter. The amendment is so worded as to leave no room for doubt that the 2 per cent limitation is inclusive of the taxes required to service the temporary debt, and at the same time it gives the investor in municipal bonds the assurance that the municipality has unlimited taxing power for the principal of and interest on all indebtedness. This is accomplished by limiting the taxes which may be levied for operating expenses to an amount equal to 2 per cent of the assessed valuations less the taxes actually levied for debt service on the temporary debt.

Except with respect to taxes required for debt service on existing indebtedness, the legislature is given the right to further restrict the power to levy taxes on real estate. Doubtless there will be many attempts made in the future to prevail upon the legislature to exercise that power. In many respects the tax limitation provisions in the New York State constitution might well serve as a pattern for other states.

The second form of real estate tax relief, partial exemption from property taxes of owner-occupied homes commonly referred to as homestead exemption, as such is relatively new, but the demand for it is spreading. New York State for years has authorized a sort of homestead exemption for war veterans by allowing exemption from certain taxes for homes purchased with federal insurance or compensation payments and federal and state bonus payments, up to $5,000 of assessed valuation. Connecticut allows an exemption of $1,000 to all war veterans. Other states allow different exemptions to war veterans. But these exemptions are based upon the theory of compensation for services rendered the state and nation.

HOMESTEAD EXEMPTION

The theory of general homestead exemption is different. I am inclined to the belief that its proponents advocate it for the reason that, having a more popular appeal than general tax limitation, it is likely to strike a more responsive chord with both legislators and the voters and stands a better chance of success in bringing tax relief to the home-owner. It is justified on the ground that the home-owners constitute the backbone of a municipality and, as such, should be encouraged to the fullest extent compatible with justice to other taxpayers and are entitled to a subsidy in the form of reduced taxation.

There is much to be said on both sides of this question. And after all that is to be said has been said, it is doubtful that the bulk of the arguments either for or against it are sound.

It is argued that partial exemption for home-owners compels a transfer of a part of the tax burden to the owners of other classes of property and that the result is to discourage the development of property for other purposes. But is that true? Is it not a fact that, if the individual exemption is so substantial as to bulk large, it will encourage the building of additional homes, the owners of which will assume the tax burden transferred from existing owners? And is it not also a fact that, if the exemption is so small as not to encourage the building of new homes, the taxes lost may be offset by economies, or the tax burden transferred to other classes of property will be correspondingly light?

On the other hand, proponents of homestead exemption argue that it provides tax relief for those most entitled to it, namely, the small home-owners who are usually persons with modest income. But is this altogether true? An exemption which applies alike to all owner-occupied homes reduces the tax burden of the well-to-do to the same extent as that of the less affluent, but not in the same ratio. If the shift of the tax burden from the well-to-do attains large proportions and necessitates an increase in the assessed valuations to offset the tax loss, the increase in valuation of the small home may conceivably more than wipe out the saving which would have accrued from the exemption had the assessed valuation remained unchanged.

The effect of a partial exemption on a new home is quite different from the effect of a similar exemption on an existing home. Whereas the latter reduces the available tax revenues, the former increases them. Whether a new home that costs $10,000 is taxed on a valuation of $8,000 or $7,000, the result is a reduction in the tax burden for existing properties. When enough new homes are built to require additional public services, the added taxes, with or without an exemption, should be sufficient to meet the added cost.

Some opponents of homestead exemption claim that the tax saving from partial exemption is rarely a ruling factor in the determination of whether to own or rent a home. But they ignore the fact that frequently the exemption results in the erection of a correspondingly more costly home than would be built if no exemption were granted. In such cases the municipality does not suffer the loss of a dollar in taxes and the community as well as the home-owner benefits from the larger and more costly home.

With homestead exemption, as with tax limitation, the problem of substitute taxation and economy of government must be met. If the reduction in tax revenues can be offset by economies, the home-owner will benefit and the municipality will not suffer. If the tax loss cannot be met by economies, the loss of revenues, the shift of the tax burden or the imposition of new taxes may result to the disadvantage of the home-owner and the municipality.

Editor's Note.—Address delivered before Forty-fourth National Conference on Government of the National Municipal League, Baltimore, Maryland, December 2, 1938.

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opinion, not too badly manhandled in the legislature, and placed in very capable hands for administration, has produced results which should cheer the supporters of civil service at the same time that it should inform them of the troubles to be faced in any new civil service system. Those administering the system are only too aware of many of its technical shortcomings. These may fairly be attributed almost without exception to the great pressure under which the new system had to be launched. But as one surveys the work of the first year, he will find it almost impossible to account for all of the work which has been accomplished. An incredible amount of work has been done, a great deal of it pioneering work, some of it following old patterns, but all of it utterly above reproach in a partisan political sense, and remarkably high in its general

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Extension of Old-Age Insurance

By **ZILPHA C. FRANKLIN**
Social Security Board

Advisory Council on Social Security, representing employers, employees, and the general public, makes comprehensive report.

WHEN President Roosevelt signed the social security act in August 1935, he termed it the "cornerstone in a structure which is being built, but is by no means complete." A significant step toward the further development of the social security structure was taken on December 19, 1938, when the Advisory Council on Social Security presented its recommendations for amending the act.

Interest in the continuing improvement of the program is not confined to the President and the Advisory Council—or to the old-age insurance program, with which alone the Council was concerned. The act itself places upon the Social Security Board the duty of studying the entire field of social security legislation. The Board regards this as one of its most important responsibilities, and on the basis of studies carried on during the past three years, it is preparing a report dealing with the other programs as well as with old-age insurance. It expects to submit its report to Congress in the near future.

It is, of course, upon Congress that the major responsibility for the development of social legislation lies. And, as a matter of fact, it was Congressional recognition of this responsibility which led to the formation of the present Advisory Council.

As the result of a hearing before the Senate Committee on Finance in February 1937, it was agreed that its chairman would appoint a special committee to coöperate with the Social Security Board in studying the advisability of revising the old-age insurance provisions of the act. It was also decided that an Advisory Council on Social Security to assist in this study would be appointed jointly by this special committee and the Social Security Board.

The Council was accordingly formed in May 1937—its membership consisting of twenty-five outstanding representatives of the three groups concerned—employers, employees, and the general public. This joint activity, on the part of a Congressional committee, a federal administrative agency, and a group of able and informed citizens, is a noteworthy example of democratic coöperation in government.

The Council's report, as submitted to the Special Senate Committee and the Social Security Board, represents principles upon which its members are agreed as a result of their studies and discussions during the past year and a half. Throughout its deliberations the council was guided, according to the chairman of the council, J. Douglas Brown of Princeton University, by two basic considerations—security for the family unit and adherence to the insurance principle as the constructive method of promoting security in a democratic society.

Though the report deals with social insurance objectives rather than detailed plans or methods, it offers twenty-four specific proposals as to (1) benefits, including benefits for the families of insured workers; (2) extension of coverage; and (3) financing. Its major recommendations are summarized below:

Monthly benefits to be paid earlier and increased in the earlier years of the program.

Insured workers reaching retirement age in the earlier years of the system would benefit in two ways under the council's recommendations. Monthly benefits would become payable in 1940, instead of 1942 as now provided, and the average monthly retirement benefits payable in the early years would be increased.

REASONS FOR ADVANCEMENT

In commenting on the first of these proposals the council's report states in part: "It is believed that such an advancement of the date of beginning benefits is not only financially and administratively feasible, but of marked social advantage in enhancing public understanding of the method of contributory social insurance. Where existing needs can be met on an insurance basis, there seems little justification for unnecessary delay."

With reference to increasing the amount of monthly benefits in the earlier years of the program, the council's report continues: "Since it is the purpose of old-age insurance to prevent dependency in old age, the benefits payable under the program should, as soon as possible, be sufficient in amount to afford the aged recipient at least a minimum subsistence income . . . . . Only by relieving a large proportion of the beneficiaries under the insurance system from the necessity of resorting to old-age assistance to supplement their benefits, will the social advantages of old-age insurance be realized."

The report also repeats an earlier recommendation made by the council, to remove the "stop-date" at sixty-five and thus to permit an individual to qualify for monthly benefits or to obtain a larger monthly benefit because of employment after age sixty-five.

Benefits for families of insured workers.

Three of the council's proposals are designed to provide additional protection for families of annuitants:

1. Provision for a supplementary allowance to be paid on behalf of an annuitant's wife, when she reaches age sixty-five, equivalent to 50 per cent of the husband's own benefit.

2. Provision for an annuity to be paid widows at age sixty-five, which would bear a reasonable relationship to what the worker would have received had he lived.

3. Provision for an orphan's benefit to each dependent child of

a currently insured individual upon the latter's death prior to age sixty-five; and a benefit to the widow of a currently insured individual, provided she has in her care one or more dependent children of the deceased husband.

In explaining these proposals the report states in part: "The inadequacy of the benefits payable during the early years of the old-age insurance program is more marked where the benefits must support not only the annuitant himself but also his wife. In 1930, 63.8 per cent of men aged sixty-five and over were married. Payment of supplementary allowances to annuitants who have wives over sixty-five will increase the average benefit in such a manner as to meet the greatest social need with the minimum increase in cost.

WIDOWS OF WORKERS SHOULD BE COVERED

"Women as a rule live longer than men. Wives are often younger than their husbands. Consequently, the probabilities are that a woman will outlive her husband. Old-age insurance benefits for the husband, supplemented during his life by an allowance payable on behalf of his wife, fall considerably short, therefore, of providing adequate old-age security . . . . The council believes . . . . that the old-age insurance program should include provision for old-age annuities for the widows of all covered workers.

"The council believes that a program of survivors' insurance, intended primarily for the protection of the dependent orphans of deceased wage earners, is of as much importance to the community as an old-age insurance program. While public assistance is now being provided to a large number of dependent children in this country on a needs-test basis . . . . the arguments for substituting benefits as a matter of right in the case of children are even more convincing than in the case of aged persons. A democratic society has an immeasurable stake in avoiding the growth of a habit of dependency among its youth. The method of survivors' insurance not only sustains the concept that a child is supported through the efforts of the parent, but affords a vital sense of security to the family unit."

In connection with the proposed upward revision of the benefit schedule already outlined, the council states that it does not deem it advisable to provide for an eventual annual cost of these insurance benefits in relation to covered payroll, from whatever source financed, beyond the eventual annual disbursements under the old-age insurance provisions of the social security act as now in effect. The council proposes to meet the difference through reduction of "benefits payable to individuals as single annuitants after the plan has been in operation a number of years," unless increase in the national income in future years should make this unnecessary; and through limitation of death payments, for example, to three months' average wages, not to exceed $200, and payable in all cases where the insured individual is eligible.

Inclusion of additional types of employment.

In its recommendations for extending coverage of the old-age insurance program, the council repeated its earlier proposal that seamen and bank employees be included. The report also proposes inclusion of employees of private religious, charitable, and educational institutions operated on a non-profit basis. No special administrative difficulties were found to exist in bringing in these groups.

FARM AND DOMESTIC EMPLOYEES

Noting that the chief reason for not including farm employees and domestic employees under the existing legislation was the administrative difficulties foreseen with respect to wage reporting and tax collections, the council expresses the opinion that inclusion of these workers is socially desirable and should take effect, if administratively possible, by January 1, 1940.

In this connection the report states: "Farm and domestic employees are, in general, among those wage earners most in need of protection against dependent old age and premature death. . . . . . Recent studies indicate that the additional cost of extending the coverage of the system to these classes of workers will be considerably less than originally estimated, since a large number of such workers are already coming under the system through employment in covered occupations on a seasonal part-time basis. Intermittent coverage of this character is not only unsatisfactory in the benefits afforded but is a factor of uncertainty in financing the program. These groups could probably be covered by means of some form of stamp-book system applied to a limited number of broad wage classifications."

Holding that the old-age insurance program should be extended as soon as feasible to still other groups of workers, the council specifically recommends that studies should be made of the administrative, legal, and financial problems which would be involved in the coverage of governmental employees and self-employed persons. Though extension of old-age insurance to the self-employed is not recommended at this time because of the administrative problems involved, the council states that it believes inclusion of this group is socially desirable and would "also be a marked advantage in planning the financial program of the system."

FINANCING THE PROGRAM

In introducing its recommendations relative to financing, the council stated its conviction that this problem must be approached as part of the general fiscal problem of the government in providing for a continuing social service mechanism. Recognizing that its recommendations regarding benefits must be considered in their financial setting, it states that it has "sought to attack the present problem of continuing old-age and survivors' protection, doing the most possible to solve what can be solved now, avoiding, however, impossible or unreasonable commitments for future generations."

The report also points out that "much of the present controversy in regard to the financing of the old-age insurance program has been concerned with long-run future policy. Experience developing since the initiation of the program and further studies of probable future trends have already shed much new light on the problem. The revision of the structure of benefits along the lines here recommended will aid materially in resolving the problem."

TECHNICAL DEVELOPMENTS IN FINANCING

The council heads its list of recommendations on finance with a proposal that the federal government participate directly in meeting the costs of the program, and states that the principle of distributing the eventual cost by means of approximately equal contributions by employers, employees, and the government, should be definitely set forth in the law when tax provisions are amended.

In commenting on federal financial participation, the council continues: "Dependent old age has become a national problem. A steadily rising proportion of aged, technological change, mobility, and urban life have combined to create a condition which cannot be met effectively by state governments alone. The council has indicated its conviction of the importance of an adequate contributory insurance program in the prevention of the growth of dependency in a democratic society. Since the nation as a whole will materially and socially benefit by such a program, it is highly appropriate that the federal government should participate in the financing of the system. With the broadening of the scope of the protection afforded, governmental participation in meeting the costs of the program is all the more justified since the existing costs of relief and old-age assistance will be materially affected."

The council is also of the opinion that a reasonable contingency fund should be . . . maintained to insure the ready payment of benefits and avoid abrupt changes in tax and contribution rates, but that it is not necessary to maintain a full invested reserve, such as is required in private insurance, *provided* definite provision is made for governmental support of the system.

In this connection the council states, however, that "sound presentation of the government's financial position requires full recognition of the obligations implied in the entire old-age security program; and Treasury reports should annually estimate the load of future benefits and the probable product of the associated tax program."

A further recommendation proposes that tax receipts under title VIII of the act, less the cost of collection, should be automatically credited to the old-age insurance fund through permanent appropriation. Though it notes that legal separation of taxation and benefits was "deemed necessary for constitutional reasons" at the time the act was drafted, the council believes such legal separation is no longer necessary in the light of subsequent court decisions.

The old-age insurance fund, the council also suggests, should specifically be made a trust fund under the control of designated trustees in accordance with appropriate legal provisions. The fund should, however, continue to be invested in securities of the federal government, as at present.

Questions relating to tax rates were also discussed, but the council felt that consideration of change should be postponed until after 1940, when the increase from 1 to 1½ per cent each on employer and employee goes into effect, in order to permit the accumulation of more experience and information. By the close of 1941—with five years of experience in tax collections and two of benefit payments (if the act is so amended)—the entire program of payroll taxes and government contributions should be restudied.

In recommending technical changes in the method of handling contributions, the council records its "unanimous conclusion that the provisions of the existing law have been strictly respected by Congress and the Treasury." It further emphasizes this opinion by appending to its report a statement originally issued on April 29, 1938: ". . . The members of the Advisory Council are in agreement that the fulfillment of the promises made to the wage-earners included in the old-age insurance system depends upon, more than anything else, the financial integrity of the government. The members of the council, regardless of differing views on other aspects of the financing of old-age insurance, are of the opinion that the present provisions regarding the investment of the moneys in the old-age reserve account do not involve any misuse of these moneys or endanger the safety of these funds."

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quality. The experience of Michigan shows what can be done when competent personnel technicians are given a free hand and reasonable resources, and when these devoted public servants throw away their time clocks and think only of the important tasks confronting them. Surely the quotation one time used by Lord Asquith applies to the Michigan Civil Service Department, both employees and Commissioners:

Give all thou canst:
High Heaven rejects the lore
Of nicely calculated less or
more!

Editor's Note—Address delivered before forty-fourth annual National Conference on Government of the National Municipal League, Baltimore, Maryland, December 1, 1938.

Pan American Congress of Municipalities

By ROWLAND EGGER
University of Virginia

THE First Pan American Congress of Municipalities, which met in Havana from November 14th to 19th last, brought together for the first time in the history of the Americas representatives of cities and towns, colleges and universities, technical organizations in the field of municipal affairs, and private citizens, for the discussion of problems of municipal life as they exist throughout this hemisphere. The congress attracted nearly four hundred official delegates, of which the delegation from the United States of North America constituted the largest national group outside of Cuba. Thirty-six "gringoes" conferenced, dined, and unswervingly bent their elbows in the name of the Stars and Stripes. This number does not include the Honorable Secretary of the Interior, Mr. Harold L. Ickes, nor the Mayor of New York, Honorable Fiorello H. LaGuardia; these gentlemen were, however, in a very real sense the primera ballerinas of the entire congress, and perhaps for this reason should not be arrogated to the North American delegation.

The Congress of Municipalities was authorized by the Pan American Congress of 1930, and was originally scheduled for 1932. Untoward economic conditions in Cuba and abroad, however, necessitated its postponement to 1938. The tragic death of Ruy de Lugo-Viña, who had been one of the prime movers of the proposed congress, in an aeroplane crash in Colombia early last year necessitated a further postponement from April, for which the gathering was originally scheduled, to November. The delays, while vexatious, appear to have worked to the benefit of the final result. Experienced international conference-goers among the delegation *Norteamericano*, who know better than to make their judgments in the torrid "internationalist" fervor of ceremonial sessions and official banquets, pronounced the Congress in the bright and relentless sunlight of the morning after as "successful beyond all reasonable expectation."

THE PLENARY SESSIONS

While plenary sessions of international conferences are, by definition, "canned" meetings, several of the grand conclaves of the Havana congress got out of character and generated a considerable amount of very real interest and discussion. One of the most significant meetings of a plenary character was that called at the instance of Mayor Daniel W. Hoan of Milwaukee, who wanted to get the city officials themselves to come together and talk about intermunicipal coöperation. It was clearly evident from the expressions of opinion at this meeting that municipal officials recognize the need for effective collaboration among municipalities at both national and international levels; that administration is increasingly gaining recognition as an art and science with established techniques and approved methods; and that there is something very substantial and real in the continental outlook common to all the republics of the Americas. The frequently overlooked fact seems to be that Argentinians, Peruvians, Chileans, and Mexicans are not expatriate Spaniards, nor are Brazilians expatriate Portuguese; rather, as one *Norteamericano* wonderingly remarked, "they are just a lot of Americans who speak Spanish."

Mr. Ickes' speech on the program of the Public Works Administration constituted another highlight of the plenary sessions. While the entertainment value of an address largely taken up with statistical analyses of PWA projects by types, cost, man-hours of labor utilized, etc., with a discussion of some of the administrative and fiscal control problems of the PWA, and with an evaluation of PWA as a factor in economic recovery and stability, might be considered in some quarters to be rather negligible, the rapt attention which was given to the Secretary of the Interior bespoke the deep community of interest which public officials throughout the Americas have in the general problem of public works and unemployment relief.

Frank Bane, speaking on the social security program in the United States of North America, was likewise received with great interest. The coöperative program by which our governments, federal, state, and local, have gone into partnership for the financing and administration of a broad-scale system of social assistance and insurance is one which has challenged the interest and admiration of all the countries of the Americas. Fortunately both for the delegates from the United States and from other countries, Mr. Bane participated throughout the congress in the round-table dealing with problems of public assistance and social security, so that a full discussion of public welfare policy, finance, and administration was possible.

While Mayor LaGuardia did not speak at a plenary session, his remarks at the final banquet given by the Mayor of Havana made explicit a note that was unmistakably present in almost every public address throughout the congress—a determination on the part of those qualified to speak for the urban-dwellers of the Americas that the blessings of liberty shall be preserved in this hemisphere.

THE ROUND TABLES

Significant as the plenary sessions undoubtedly were, the substantial work of the congress was done in the five round tables into which it resolved itself for the consideration of the sixty-odd reports on thirty-two specified topics which had been received, translated, and published by the secretariat prior to the opening of the sessions.

The round table on general topics and intermunicipal coöperation, which was headed by the dean of American committee chairmen, Louis Brownlow, was responsible not only for the generation of a profound interest in the possibilities of coöperation among municipalities at the state and national levels, which seems destined to lead to the organization of several lusty associations of municipalities in the countries of Latin America, but also for drawing up a carefully considered plan for exploring the possibilities of further intermunicipal collaboration at the continental level, including the holding of a second Pan American Congress of Municipalities. A continuing committee was authorized to be named by the Mayor of Havana for carrying on these interim explorations, which was instructed to arrange for the holding of a second congress in not less than two nor more than four years from the date of the first.

The round table on municipal administrative management and organization attracted a large and extremely interested following. Much curiosity was exhibited concerning the city manager plan of municipal government in the United States, the virtues of which were ably expounded by the secretary of the International City Managers' Association in person. Other topics receiving treatment in this round table were: the composition and powers of the municipal legislature and executive; central-local government relations; departmental organization; assessments, revenues, and fiscal planning and control; and personnel administration.

The section dealing with public utilities and public works was particularly fortunate in having Dr. William E. Mosher among its members. Perhaps the most significant finding of this group, as indicated in Dr. Mosher's report to the general session of the congress, was that inter-American amity is as much compromised by the attitude of North American utility companies operating in Latin America as it is advanced by the good neighbor policy in Washington.

The round table on transportation problems found its major interest in subways and municipal airports, and the United States was ably represented in these discussions by Professor Lindsay Rogers of Columbia University and Lieutenant Richard Aldworth, manager of the Newark airport. Also discussed in this section were influence of modern transportation on suburban development; problems of public surface transport; and the regulation of privately owned vehicles.

The section on public safety and social problems, which considered also reports relating to housing and planning, was the most overworked round table of the congress. Originally scheduled for a moderate and equitable part of the work of the congress, special and supplementary reports filed by various municipalities and specialists raised the number of contributions to be considered by this commission to more than thirty, or almost half of the total reports received. The major attention of the round table was devoted to planning and zoning, architectural control, and public welfare administration. Walter Blucher of the American Association of Planning Officials, Donald Stone of Public Administration Service, William Hodson of New York City's welfare department, and Frank Bane of the Council of State Governments, were among the discussion leaders from the United States.

The findings of the several round tables have been embodied in the final act of the congress, copies of which will shortly be available for distribution in English. This document probably will be distributed in the United States by Public Administration Clearing House, 1313 East 60th Street, Chicago.

L'ENVOI

Havana is too completely a part of the American scene to require comment as one of the most beautiful and interesting cities of the Americas. But the magnificent hospitality and excellent administration which the congress received at the hands of the city of Havana and the Republic of Cuba require comment. As president of the congress, the efforts of Dr. Antonio Beruff Mendieta, Mayor of Havana, cannot be too highly praised. Dr. Gustavo Gutiérrez, member of the House of Representatives of the Republic and Secretary-General of the Congress, bore the brunt of the work in the actual administration of the congress' proceedings, and its success is in no small part due to his skill, diplomatic ability, and untiring effort. Mr. José L. Franco and Dr. Gay-Calbó, assistant secretaries, contributed splendidly to the preparations for the congress. The large participation of delegates from the United States was primarily due to the efforts of Louis Brownlow and Clifford Ham, chairman and secretary, respectively, of the American Committee for the International Union of Local Authorities, which sponsored American participation. Mention should likewise be made of the excellent work of John J. Kennedy, who served as liaison secretary in Havana in behalf of the American committee for several months prior to the congress.

No American who makes an honest attempt to understand significant international political movements, or who is genuinely interested in the development of the art and science of public administration, could fail to be impressed by the profound community of political and technical interest and solidarity which this gathering clearly evidenced. National policy cannot, of course, of itself create bonds of friendship and coöperation among municipalities and municipal officials. But when national policy and community of interest coincide, the possibilities are almost boundless. The opportunity which this congress symbolizes for the mutual interchange of experiences, for intermunicipal collaboration among the cities of the Americas in the development of the science

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Shall Research Bureaus Publicize?

Voters Don't Vote in Flint
Boston Bureau Scans Metropolis
Cleveland Libraries Mushroom
Headlines Hail Herbert

LIKE a crowd of women at a department store bargain counter, propaganda agencies and pressure groups and commercial interests claw at one another, push and haul, to get their hands on the "bargain," John Q. Public. And there are some who hold that research bureaus may find themselves in the position of the ladylike little person whose quiet manners not only prevent her from getting within ten feet of the counter but who also gets her hat knocked off in the process.

Whether the research bureaus can make themselves most effective by retaining their mild manners and letting others take the credit for their work, or whether they should jostle with the rest of the crowd for public attention has long been the subject of controversy. The latest expression on the publicity side of the matter comes from the coördinator of the Organizing Committee of the NEW YORK STATE BUREAU OF GOVERNMENTAL RESEARCH, and former director of the SCHENECTADY BUREAU, Abbett Pulliam. He sends out a paper on *Publicity Technique for Citizen Groups* which aims to disembarrass the citizens groups of their "manners." A survey of the publicity methods of fifty-one citizen, taxpayer, and research groups leads him to the conclusion that they are ignoring most of the modern ways of getting and holding the attention of public servants, prospective financial angels, and the public itself. All three groups, he holds, are vital to the success of the research bureau.

Mr. Pulliam suggests the formation of a joint research group committee to consider use of newspapers, radio, bulletins, movies, pictures, and matters of form, content, and frequency.

That his suggestions may merit consideration is hinted by an analysis of *The Participation of Flint Citizens in Elections*, issued by the FLINT INSTITUTE OF RESEARCH AND PLANNING. Max P. Heavenrich, Jr., found, on the basis of votes cast in elections during the years 1932-1938, that "only one-third of the eligible citizens participate in elections. Since a simple majority of those participating is usually sufficient to decide issues and to elect officials, aproximately one-sixth of the citizens eligible to determine decisions of government are able, by active voting, to outweigh the political opinions of the other five-sixths. This unusual influence arises without any particular effort on the part of those who possess it. It is not peculiar to this city, or any other city; it occurs in every community, where a large percentage of those eligible for active participation in government fail to make full use of their prerogatives."

The study confirms the impression that participation in presidential and congressional elections is much greater than that in the city-wide elections. "In the presidential and congressional elections held since and including 1932 an average of 61 per cent of the registered voters have participated, while elections on strictly local or state issues during the same period have interested but 32 per cent of the total."

It is suggested that "a well informed body of citizens who are given clear-cut and interesting issues to decide upon and a reasonable facility for voting will participate to a greater extent than is the case when such conditions are lacking."

Which suggests, in turn, that better knowledge of publicity methods on the part of research bureaus might do much to inject interest into local elections, thereby increasing citizen participation.

Riddle: 43 Equals 1; 1 Becomes 14

Metropolitanism, for some time recognized in the academic cloisters as an important problem, has recently taken its place even in the hoppers of state legislatures, to which it is supposed to take an idea about ten years to journey. In Massachusetts the General Court has ordered recess studies of metropolitan park, boulevard, water and sewerage services. The BOSTON MUNICIPAL RESEARCH BUREAU, recognizing that the state's greatest metropolitan area would be intimately affected by all these problems, devotes a bulletin to discussion of the growth of the Boston metropolitan district, explores each of the problems which will be studied by the legislative committees, and offers its own recommendations to the official bodies.

The bulletin brings out some interesting facts regarding the Boston area. Within an area of 457 square miles live 2,021,670 people in forty-three localities, the fifth most populous metropolitan area in the United States. Now there are a number of joint agencies to administer particular functions for member localities in the area, but the forces which made these agencies necessary were at work from the Civil War to 1889, when the first of them, the metropolitan sewerage commission, came into being. Thirty-eight units of local government in the Boston area belong to a park district, twenty to a water district, eighteen and sixteen respectively to two regional sewerage districts, and fourteen to a transit district. This is a relatively high degree of joint organization, compared with other populous metropolitan districts which are still practicing a rugged and ragged independence in defiance of common sense and practical need.

Nevertheless, a Massachusetts commission is going farther into the questions raised by metropolitanism, and will consider four major problems: (1) similar local and metropolitan functions; (2) possible transfer to metropolitan authority of local functions that are regional in character; (3) opportunities for efficiency and economy in such transfer; and (4) desirability of revising the bases of metropolitan assessments. The Boston Municipal Research Bureau, recognizing the magnitude of the task, recommends that the General Court continue the commission beyond the year allotted to it.

The Research Bureau makes some specific recommendations to the commission which are of general interest: proposals for assessing metropolitan water expenses on a straight consumption basis, and sewer expenses on a flow basis seem unwarranted; a "stand-by" charge for municipalities having emergency water connections with the metropolitan supply should be adopted —such connections give local protection in case of conflagration or drought; long-term capital budgeting and increased local control over metropolitan projects are needed.

Another metropolitan problem, aggravated in this case by tax limitation laws, is the subject of a committee report of the CITIZENS LEAGUE OF CLEVELAND. In the metropolitan district of Greater Cleveland there are fourteen separate and independent libraries, operating at a cost of $2.07 per capita as against $1.01 per capita in Hamilton County, a comparable Ohio area. The Citizens League lays the discrepancy in part to the fact that Hamilton County has a single, unified county library, as against Cuyahoga's fourteen.

Description of the effect of tax limitation on the libraries is an interesting illustration of the governmental whirlpools which may be started by a single law.

"When the ten-mill tax limitation on real estate was adopted as a constitutional amendment in 1931, it was found that the local governmental units needed and would consume all of the ten-mills tax on real estate. New sources of revenue had to be found for the libraries. So the General Assembly, in 1932 and 1933, adopted a series of new tax laws, among which was one increasing the classified property tax, and allocating 25 per cent of it to the state and the remainder to the local units, with a first lien on the remaining three-fourths for the libraries. This intangible tax was collected from classified property in all parts of the county and went into one fund to be distributed by the county budget commission.

"The local school districts which had established school district libraries were, by that law, relieved of any financial obligation to support their local libraries, even to the payment of indebtedness incurred for library buildings. With the removal of the restraining influence of higher taxes on the local school district, each board of education was encouraged to establish a school district library and to dip into the common pot for the finances with which to sustain it. In fact, the argument was quite generally used that since the tax rate in the school district would not be affected, the district school board should set up a library board and ask for all that it can get for library purposes . . . Under existing laws, it is possible to have one hundred separate and independent libraries in this county in the separate municipalities, school districts, and townships."

How to Make the Front Page

One way of examining the public mind is to look into that sometimes cracked mirror, the American newspaper. What are the headlines screaming most often these days?

The research bureaus should be cheered by one recent crop of clippings. Carl P. Herbert, director of the ST. PAUL BUREAU gained the attention of editors from Maine to Florida to California when he told the relief session of the National Municipal League's Conference on Government (Baltimore, December 2nd) that the present system of relief is creating a "professional pauper class." Those were the words most often quoted in the headlines, although many of the other salient points brought out in Mr. Herbert's address were treated at length and with considerable accuracy in the bodies of the lengthy stories devoted to his remarks. There was a plentitude of editorials as well, supreme evidence that Mr. Herbert rang a bell somewhere in the national consciousness. If public cognizance of the seriousness of the relief problem is a necessary prelude to solution of that problem, then it may be that we are soon to see that monster question answered—at last.

PAN AMERICAN CONGRESS OF MUNICIPALITIES

(Continued from Page 52)

of administration, for the broadening of scholarship and research in the field of administrative affairs, and for the promotion of true understanding in an area unbeset by conflicting economic and other interests, should not be lost. The Americans to the south have indicated their willingness and desire to seek out the most effective lines of collaboration among the local authorities. It is now up to all Americans, including North Americans, to find the way of successful coöperation and to give it substantial support and assistance.

Recent News Reviewed

HERALD
NATION
RCIAL
OSTED
NEWS
The Daily

Many Cities Interested in Securing Manager Plan

Rochester Advertises Its Manager Government by Radio

Maryland Governor Appoints Commissions

By **H. M. OLMSTED**

The council of Martinez, California, reports *Western City*, organ of six western state Leagues of Municipalities, has adopted a modified form of city manager government. It has created by ordinance the office of superintendent of municipal affairs and appointed City Clerk Raymond B. Johnson to the position. Under the council's resolution the superintendent of municipal affairs is given control of city employees, and power to create accounting systems, approve contracts with collaboration of the city attorney, act as purchasing agent, and make definite reports on the conduct of the respective departments.

Buford, Georgia, started the new year under its city manager charter obtained from the last session of the Georgia legislature. V. W. Crawford, formerly city manager of Cornelia, Georgia, has been chosen first manager, taking office January 1st.

Citizens of Ventura County, California, have met for the purpose of furthering the county manager idea.

Waterbury, Connecticut, is expected to vote on the manager plan this spring.

The mayor and council of Brunswick, Maryland, are reported to be investigating the manager form.

In Edenton, North Carolina, petitions are being circulated for changing the charter to provide for a city manager; the petitions are intended to be presented to the next legislature.

In Toledo, Ohio, the City Manager League has taken preliminary steps to effect endorsement of the best possible candidates for the city council. A special Citizens' Advisory Committee has been appointed by the League's board of directors to aid in the search for the most suitable candidates for council at the 1939 election.

A proposed new charter for Philadelphia, calling for the city manager plan and proportional representation, has been filed with the legislature by the Philadelphia Charter Commission, an official body appointed two years ago by the Governor and legislature. Pittsburgh, Pennsylvania, also is much interested in the plan.

The council-manager movement appears to have received added impetus in Philadelphia because of the city's financial situation; both political parties are reported to be more favorable to the idea.

Agitation for the city manager plan is strong in Poplar Bluffs, Missouri. Civic leaders are circulating petitions asking the mayor and council to call a special election within sixty days from the date of filing such petitions to test the sense of the people as to whether or not they want manager government.

The city council of Cumberland, Maryland, has voted down a proposal for the adoption of the manager plan by that city.

Pittsfield, Maine, in accordance with the action of its last annual town meeting, held in March, 1938, is now preparing a manager charter for submission to the legislature which convenes this month. The town is now acting under the town agent plan pending the adoption of a manager charter.

The Junior Chamber of Commerce in Indianapolis announced on December 6th that it would sponsor a city manager enabling act in the 1939 legislature. Various other organizations are also backing the movement. Mayor-elect Sullivan is reported as stating that he will support a practicable manager movement if it is initiated by civic leaders.

In Bath, Maine, a committee consisting of the mayor, council president, two aldermen, and three councilmen has been appointed to prepare an act for presentation to the legislature whereby the city of Bath may adopt the manager form of government.

A bill to repeal the act authorizing the "Plan E" (city manager with P.R.) form of city government in Massachusetts has been filed in the state senate although movements are reported to be under way in Somerville, Springfield, and Attleboro, Massachusetts, for the manager plan.

Petitions are being circulated in Winchester, Kentucky, requesting the county judge to enter an order for a general election to determine whether the citizens desire a change from the existing commission government to the city manager plan.

A movement has been launched in Sioux City, Iowa, through petition, for the manager plan. In commenting, the Dubuque, Iowa, *Telegraph-Herald* stresses not only the ability of the manager in that city but the democratic character of the council, consisting of three workmen, a merchant, and a professional man, thus answering the charge that only the wealthy will serve on an unpaid council, and that a manager will be a dictator free from democratic control.

In Ottumwa, Iowa, the *Free Press* comments editorially on the "city board of control" bill to come before the legislature, as an alternative to the manager plan, which has been proposed for Ottumwa. The board of control would be a commission of five, elected at large, to supplement the present three-man commission, and pass on the budget, tax levies, bond issues, and other important matters.

On November 22nd Franklin, Tennessee, defeated a proposal to adopt the manager plan by a vote of 615 to 199.

On December 3rd the Salt Lake City, Utah, Junior Chamber of Commerce launched a campaign to adopt the manager plan.

The Colorado Municipal League will sponsor a legislative bill providing optional city manager government for Colorado cities and towns which do not adopt home rule charters.

The *Wisconsin State Journal* reports that Madison may vote on the manager plan next April.

The *News* of Birmingham, Alabama, reports that opposition to the recent drastic increase in business license rates has given rise to a demand for manager government.

In Duluth, Minnesota, sufficient signatures have been made to a city manager petition to place the question on the ballot. Similar petitions are being circulated in Gardiner, Maine.

A committee of the Chamber of Commerce of Houlton, Maine, has been appointed to investigate town manager government for the community.

The Indiana League of Women Voters

has announced that local leagues in that state have begun a detailed study of the city manager plan.

Court Decisions on Manager Plan

A recent decision of the Wisconsin Supreme Court, on October 11, 1938 (*Webb vs. City of Beloit, 281 N.W. 662*) presents a discussion of the respective powers of a city manager and a city council.

The suit was brought in 1936 by a policeman of Beloit, who sued the city to recover salary reductions made by the council in 1933. The question was raised as to whether or not the legislative powers of the municipal fire and police commissions, as well as their administrative powers, went to the city manager at the time those commissions were abolished. The plaintiff contended that recommendation of salary decreases by the city manager was necessary before council could take such action. The court said, however: "The retention of this power [by the manager] is inconsistent with the basic theory of the city manager plan, which is to abolish the elaborate system of checks and balances theretofore existing in the city government, to turn over the legislative powers to the city council as heretofore, and to turn over the executive and administrative powers to a hired manager."

Another decision involving the city manager plan was rendered on November 28, 1938, by the Ohio Supreme Court in the case of *State ex rel. Paulowicz vs. Edy, City Manager, et al.* An interesting discussion of the case appears in the *Toledo City Journal* of December 3rd, which says in part:

"The specific question decided by the court in this case had to do with the right of the city manager to act and serve in the capacity of director of public safety in accordance with the provisions of ordinance 51-36 passed by the council March 2, 1936. The cause arose when the manager sought to conduct a hearing on the suspension of a member of the division of fire. Attorneys for the fireman asked the Court of Appeals to grant a writ of prohibition against the conduct of this inquiry by the city manager on the ground that the manager had no authority under the charter to exercise the duties of director of public safety . . .

"By way of a general conclusion the Supreme Court leaned toward the view that the passage of ordinance 51-36 amounted in substance to a usurpation by the council of the city manager's charter authority to appoint the safety director . . .

"The court holds that these sections [sections 101 and 104 of the Toledo charter] impose a definite duty upon the city manager to appoint a director of public safety, and that the council would not have the authority to appoint such an officer in view of the fact that the power of appointment is vested in the city manager by charter provision."

Rochester Broadcasts City Activities

The city of Rochester, New York, made its first venture into regularly scheduled municipal radio programs on November 9, 1938, with the presentation of "A Day at City Hall," sponsored by the Division of Public Relations of the city's newly instituted Department of Commerce. The fifteen-minute program, designed to give the public a view of the routine operations of city government, is produced at city hall each Wednesday afternoon. It is conducted on a question-and-answer basis with a staff announcer of Station WHEC asking city officials questions which arise in the mind of the man in the street.

The radio project opened with an informal interview with City Manager Harold W. Baker and since then has touched upon the departments of finance, assessment, law, public safety, and public works. In its opening stages the program is sketching briefly the jobs done by the major executives of the government; more detailed treatment is to follow. Plans are being made to convert it into a forum of officials in which specific current problems of the city are to be discussed informally over the air.

The new Bureau of Information, organized to handle complaints in an effort to save the time of city officials, is being advertised each week at the conclusion of the program. This has resulted in a more efficient method of receiving complaints and answering questions of citizens. Dozens of calls for the bureau have followed each broadcast, indicating listener interest in the venture.

The program is arranged by Jack Burgan, public relations director of the city of Rochester. It is carried with no cost to the city and originates from the office of the officials to be interviewed.

All broadcasts are being recorded, by request of the Board of Education, and are being used in social science classes in the public schools.

Three Commissions To Aid Maryland Governor

Maryland's newly elected governor, Herbert R. O'Conor, in accordance with his campaign promises, has appointed three commissions to deal with important matters of state organization and finance. The members will serve without compensation and probably without funds for expenses.

The first commission was appointed to make a thoroughgoing survey of all state departments and institutions, and to recommend steps for more economical and efficient operation. This commission is headed by Dr. Isaiah Bowman, president of Johns Hopkins University. William J. Casey, chairman of the Baltimore Commission on Governmental Efficiency and Economy, is a member.

The second commission is to aid the Governor in the preparation of the budgets for 1940 and 1941, which must be submitted to the legislature within thirty days of his inauguration on January 11th. The chairman of this group is the present state treasurer (who is appointed by the legislature).

The third commission was appointed for the purpose of determining the best methods by which needed revenues for the state can be raised. It will explore various methods of taxation and make recommendations for the most equitable and fair forms which will be calculated to yield a sum to meet the requirements of the state. This commission is headed by a Baltimore attorney. What acceptable methods they will find is a question. The last legislature discarded the idea of a consumers' retail sales tax, and the voters at the November election defeated a constitutional amendment to provide for a graduated income tax, part of the new governor's fiscal plan.

D. BENTON BISER, *Director*
Baltimore Commission on Governmental Efficiency and Economy, Inc.

State Legislatures Convene

The legislatures of all but four of the states (Kentucky, Louisiana, Mississippi, and Virginia, where the legislatures meet in the even-numbered years) are meeting in regular sessions this year, and all sessions begin this month, except in Florida where they begin in April.

Virginia Council on Public Administration

On November 1st in Richmond the Virginia Council on Public Administration, which was appointed some months ago by Governor James H. Price, held its organization meeting at which Governor Price was elected permanent chairman and Rowland Egger, director of the Bureau of Public Administration, was chosen as secretary.

As of December 1st the council began the publication in mimeograph form of *Public Administration Notes*, which supersedes the *White Paper* formerly issued by the Bureau of Public Administration. This first issue states, in connection with the meeting of the council just referred to, "The Governor made clear his views that the Council on Public Administration should function as an agency for promoting and facilitating coöperation among researchers and educators working in the general field of public administration in Virginia. He felt that it should avoid, as far as possible, direct undertakings on its own responsibility; it should regard itself as essentially a piece of machinery for conference, consultation, and collaborative planning. This view was unanimously concurred in by the members of the council."

Court Voids New York Prior Lien Law

The New York Court of Appeals on December 6th called unconstitutional a section of the multiple dwellings law making assessments for improvements to old-law tenement houses in New York City liens superior to any mortgages on the properties. It had been hoped that the provision would greatly facilitate efforts of the city to remedy defects that constituted violations of the law, and thus make the buildings safer and more sanitary. Mayor La Guardia, in addressing the annual meeting of the City Club the following day, expressed deep concern about the effect of the decision, and also regarding the increasing cost of the courts themselves, which it is mandatory on the city to pay.

Direct Legislation in Washington State Wins Interest

The November election brought 632,813 voters to the polls in the state of Washington; this figure established a record for a non-presidential year and represented 70.54 per cent of the total number of registered voters. The large vote was due in considerable part to interest in an initiative measure for the regulation of strikes. This proposal, sponsored by the Associated Farmers and the women of Washington, was vigorously opposed by the labor organizations. It failed of passage by a vote of 295,431 against and 268,848 for. An initiative measure providing for the nonpartisan nomination and election of county and state school superintendents was carried 293,202 to 153,142. Another measure to re-enact the 40-mill tax limit was passed by a vote of 340,296 to 145,534; Washington's so-called "40-mill limit" is in reality a 37-mill limit, with two mills going to the state, ten mills to the county, ten mills to the school district and fifteen mills to the city. The new act, in contrast to the previous 40-mill bills, provides that the legislature may divert the two mill state levy to the cities. Washington voters also passed on a proposed constitutional amendment empowering the legislature to levy a state income tax; this proposal was defeated by a vote of 285,946 against and 141,375 for.

The figures here cited seem to bear out previous Washington experience that the initiative and referendum do not result in minority legislation. The tax limit measure was approved by 69.47 per cent of those who voted on the question and by 53.77 per cent of all those who participated in the election. In the case of the nonpartisan superintendent measure, 65.48 per cent of those voting on the measure favored it, as did 46.33 per cent of all who voted in the election. As usual, many voters failed to express an opinion on the measures submitted to their consideration. Even the 564,279 votes cast on the highly controversial strike initiative fell considerably below the total of 593,294 cast for the three candidates running for the United States Senate, the only state-wide office to be filled in 1938.

HAROLD E. BLINN

Merit System Shows Strong Popular Support in Poll

An overwhelming majority of people in the United States favors the placing of administrative staffs of relief agencies under civil service, according to a recent survey conducted by George R. Gallup, director of the American Institute of Public Opinion, as reported by the Civil Service Assembly. Following a speech made by Harry L. Hopkins, Works Progress Administrator, urging that the WPA and other relief organizations be placed under civil service, the Institute sounded out public opinion on this subject. Seventy-five per cent of the answers to the question, "Do you think officials in charge of relief should be under civil service?", were in the affirmative. Similar majorities were constant throughout all sections of the United States, and all economic groups whether Republicans or Democrats.

Sealers Go to School

The first training school to be held in the State of New York for sealers of weights and measures of the various municipalities and counties was held in Albany on November 17th, 18th, and 19th. The total attendance of 149 exceeded all expectations. Forty counties and twenty-three cities were represented; thirty-nine county sealers and thirty-seven city sealers (nineteen of whom were from New York City) and one county-city sealer, registered. There were also nineteen state officials having to do with weights and measures, thirty-one commercial and industrial representatives, fourteen students and civil service applicants, and eight officials from other states and the federal government.

The school was conducted by the Municipal Training Institute of New York State, which is administered by the New York State Conference of Mayors. A practical curriculum was laid out, designed to present the fundamentals of the work, including legal aspects, and of state and local coöperation in weights and measures administration.

Nation-Wide Traffic Enforcement Study

Announcement of the first nation-wide study of traffic law enforcement through surveys of traffic courts and the enforcement work of police was made on December 12th by the International Association of Chiefs of Police. The purpose of the study will be to develop standards of traffic law enforcement from the practices now being followed in various parts of the country. The National Committee on Traffic Law Enforcement also expects to aid states and local communities in adopting enforcement standards.

Libraries Seek Federal and State Aid

Through the Harrison-Thomas-Fletcher bill for federal aid to education, expected to be introduced in Congress this month, public libraries are hoping for financial aid from the United States government—particularly for the benefit of rural library service, for which the bill provides a total of $2,000,000 of grants to states the first year, $4,000,000 the second year, and $6,000,000 for each of the three succeeding years. The bill has been revised recently to meet certain difficulties encountered at the last session of Congress.

State aid for public library development will also be a live issue during the year, according to the *Bulletin* of the American Library Association, which states that renewal of 1937 appropriations will be sought in Arkansas, Ohio, and Vermont, to continue the program of rural library development; while other state library associations and agencies plan to build on the legislative interest developed at the last sessions, or to make a first attempt. In Michigan, where the state board has a continuing grant, no new legislation is planned; but in various other states library appropriations that have been made must be continued by positive action.

Westchester County Under New Charter

County Reorganization Fails in New York; Wisconsin County Welcomes New Citizens; Missouri Voters Reject Amendments.

By **PAUL W. WAGER**

The new charter which Westchester County, New York, adopted in November, 1937 went into full effect with the beginning of the new year. Under its provisions the county has an executive head, under whom are placed all departments, for the first time in its history. He will assume broad administrative powers and fiscal responsibilities which have heretofore been vested in the Board of Supervisors. William F. Bleakley, elected in November, has been installed as the county's first executive.

The new County Tax Commission established by the charter is one of the most far-reaching reforms made. This commission will undertake the compilation of annual equalization tables, promulgate and adopt a uniform standard of assessments throughout the county, and endeavor to have all local assessors use a uniform system.

Offices of the county controller and county treasurer are to be abolished and their work absorbed by the commissioner of finance. The duties of county register will be taken over by the county clerk.

Many other governmental practices are being modernized for the first time since 1703.[1]

County Reorganization Fails in New York City

After a session lasting some twenty hours, during which the Democratic majority carried on an extensive filibuster, the New York City Council defeated five county reorganization bills supported by Mayor LaGuardia and independent members of the council by a vote of seventeen to nine.

On December 8th, after eleven months of delay, the council brought the bills out of committee and set December 20th for a discussion of them. The bills, introduced on January 25th last by Mrs. Genevieve B. Earle, Fusion councilwoman from Brooklyn, provide for the abolition of five county sheriffs, four county registers, two county commissioners of records, five public administrators, and two county commissioners of jurors. Only one city-wide sheriff and one city-wide register (both to be appointed by the Mayor) would be retained. These consolidations would permit the removal of a goodly number of deputies and clerks, many of whom have little or nothing to do, and result in a saving to New York City of several hundred thousand dollars a year.

The council has full authority to abolish these elective county offices and the present county incumbents were elected with the knowledge that their positions might be terminated at any time, but a provision of the new state constitution "froze" the incumbents into office for their full terms when the offices were not abolished prior to January 1st. Since most of these county officers are Democrats, the Democrats in the council, constituting a majority of the board, were, of course, averse to taking such action, and this despite the reminder of Mayor LaGuardia and numerous civic organizations of the three-to-one mandate of the people in 1935, when the home rule amendment was passed, to effect this long overdue reorganization.

The matter will undoubtedly be a major issue in the election campaign next fall when members of a new city council will be elected.

A Wisconsin County Celebrates Citizenship Day

Government officials and interested citizens are everywhere raising the question as to what can be done to increase the active participation of the average citizen in government. Manitowoc County, Wisconsin, appears to have found a part of the answer. Through the Vocational School of Manitowoc a round table in problems of public administration was arranged. At this round table the suggestion was made that Citizenship Day be recognized and celebrated. The round table accepted the challenge, and the councils of the several cities and the county board of Manitowoc County voted approval. Therefore a Citizenship Day was established and made the occasion upon which the citizenry of the county welcomes the young men and women who have reached their twenty-first birthday into the electorate and acquaints them with the part they are expected to play in government.

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[1] See also the NATIONAL MUNICIPAL REVIEW for December 1937, page 603.

The handbook prepared for the new citizens lists the aims of the Citizenship Day program as a help toward:

1. Creating a sense of duty and responsibility that accompanies the rights of citizenship;
2. Giving to the entire citizenry a clearer appreciation of its duties, responsibilities, and obligations;
3. Developing a clearer understanding of the relation of local government to the state and nation;
4. Assisting in creating a high degree of community spirit;
5. Counteracting unwholesome negative propaganda by generating intelligent and creative participating citizenry.

Since training for citizenship has long been regarded as a responsibility of the schools, it is considered fitting and proper that Citizenship Day be conducted under the leadership of local school authorities, as a part of the community's program for vocational and adult education.

The *Topeka Daily Capital,* in its issue of December 18th, commented editorially on the Manitowoc experiment. It said, in part: "An intelligent and fully informed electorate is our first line of defense in the fight to save the American way of life. It is more than that, in fact—it is just about the only defense we need. If our 'new citizens' each year could get a thorough grounding in the essential facts about our democracy, plus an intelligent understanding and appreciation of the ideals on which those facts rest, there would presently be little need to worry about the danger of any foreign 'isms' getting a foothold here."

Cities of Oregon County Organize

Cities in Clackamas County, Oregon, have just formed the Council of Clackamas County Cities. According to *Western City*, organ of the Leagues of Municipalities of six western states, this organization is the first of its kind in Oregon and represents an effort on the part of small cities with similar problems to strengthen their position by coöperative effort. "Uniting for more efficient and economical service," is the purpose stated in the constitution of the council adopted at its initial meeting.

Missouri Constitutional Proposals

The voters of Missouri on November 8, 1938, approved only one of eight different constitutional propositions submitted to them. It amended the old-age assistance provision, reducing the age requirement from seventy to sixty-five years, so that the Missouri provision harmonizes with the federal law. It is assumed that the legislature, convening in January, will pass legislation reducing the age limit in line with the amendment.

Since the state pays the entire expense of old-age assistance, the county relief burden should be further reduced. The next logical step is the establishment of district homes for the indigent and infirm aged, and the abandonment of the smaller and more antiquated county almshouses.

Among the amendments defeated was one to permit the elective county sheriffs and coroners to succeed themselves in office. They are now limited to one four-year term, whereas other county officers may succeed themselves indefinitely. Another rejected amendment would have provided for a ten-year state highway plan and transferred some five thousand miles of county roads to the state supplementary system. The plan was to be financed principally through an increase in the state gasoline tax from two to three cents per gallon. A third amendment would have given constitutional authority to counties to levy a special tax for hospital purposes—a needless proposal, for counties now have statutory authority to levy taxes for such purposes. The other propositions did not directly concern county government.

WILLIAM L. BRADSHAW
University of Missouri

Summary of 1938 Legislation in Mississippi

Following is a résumé of the more significant legislation affecting municipal corporations and counties enacted by the Mississippi legislature in 1938.

Mississippi River cities are especially benefited by the authorization to construct, operate, and maintain bridges fully or partly within the state. These may be financed by revenue bonds to be retired from bridge tolls, with the provision that tolls are to be abolished as soon as such indebtedness is removed. Cities of six thousand to nine thousand may vote on the abolition of municipal courts, such election to be called on petition of 20 per cent of the qualified electors. Gulf-coast counties are authorized to make sea wall repairs and to replace the sand beaches where these have been destroyed by the removal of sand on the water front. In this category Harrison County was authorized to create a parkway commission to beautify the sea wall drive along the gulf coast.

Counties are instructed to encourage the terracing and draining of land and to coöperate in any way with the federal government on land conservation projects. They are further permitted to construct, extend, aid, or add to, free public libraries. and if desired two counties may coöperate in an inter-county library project.

Circuit clerks of counties are required to furnish the State Bureau of Vital Statistics with information regarding marriages, as well as births and deaths. Chancery clerks and city secretaries are required to file statements regarding all bond issues with the State Auditor of Public Accounts.

Counties are further authorized to establish or coöperate in establishing hospitals for the treatment of tubercular patients, provided that a property tax levy of one and a half mills is not exceeded for that purpose. In counties having two cities of over ten thousand population an assistant probation officer may be appointed to aid the county probation officer. Counties are authorized to preserve historic and prehistoric monuments.

Compensation of supervisors was increased in counties, depending upon classification, to a range of $5.00 to $7.00 per day, with a maximum of $900 to $2,000 per year. State line counties not having hospitals with charity wards may enter into agreements for the care of charity patients with adjoining states.

Mississippi law has provided that when the office of sheriff shall become vacant it shall be filled temporarily by the coroner. In the past this has caused some embarrassment in counties having no coroner, but it is now provided that the circuit judge of the district shall appoint an acting sheriff when there is no coroner.

The pay of election officials is increased to $3.00 per day. Counties are authorized to levy a maximum of one mill tax to provide for a public health department and the treatment of the indigent sick.

Municipalities of 1,500 or more are authorized to enact zoning ordinances. This aims to clarify the existing doubt regarding constitutionality of zoning within the state of Mississippi.

The ten-year tax exemption on manufacturing sites is reduced to five years in all future contracts with industries.

Cities and counties are given concurrent jurisdiction over street maintenance where a street continues into or intersects a county road. Cities and counties are also authorized to enter into agreements for the maintenance of flood control projects constructed by the United States or any agency thereof. Provision is also made for cities or counties to undertake housing improvement projects including the condemnation of unfit dwellings. A housing authority may be set up to undertake housing projects in coöperation with the federal authority.

Municipalities are authorized to insure all municipal property and also to sponsor casualty and employee group insurance covering life, health, sickness, accident, and hospitalization.

It should also be noted that this session appropriated adequate funds to permit the auditing by the State Auditor of Public Accounts of all county financial records. This provision was made some years ago, but funds were not provided to make it possible for the auditor to expand his staff sufficiently to attend to this work.

The most significant piece of legislation was that passed by the special session of the legislature and known as the home exemption statute. Under this statute any home occupied by the owner, plus adjacent lots, up to a total assessed valuation of $5,000 is exempted from ad valorem taxes. Similarly, the home and farm land used for farming up to 160 acres or to the assessed valuation of $5,000, are exempted. The exemption extends to ad valorum taxes levied by the state, counties, and special districts for current expenses, including the maintenance of roads and schools. The act does not exempt property from taxation for interest and retirement of existing bonds, and it does not apply to municipal taxes for general city purposes. Generally speaking, the property must be a bona fide home owned by a resident of this state, used exclusively as a home by the owner, and occupied by the head of a family.

The local units are to be reimbursed by the state for the loss sustained as a result of homestead exemptions. It is impossible to tell at this time the full effect of this program upon state revenue, and upon property values and rentals. A preliminary survey by the State Tax Commission indicates that about 133,000 homesteads are affected with an average of about $25 benefit per homestead and a total tax loss of somewhat over $3,000,000. It should be noted that the legislature sought to provide revenue to reimburse the state treasury by replacing the 20 per cent cigar tax and by increasing taxes on beer and cigarettes. The reduction in assessed value is estimated at about 25 per cent.

It is believed that the state treasury will be able to handle the reimbursement during the first year without any difficulty. There is some difference of opinion as to its ability to continue to do so without financial embarrassment to the state.

D. W. KNEPPER
Mississippi State College for Women

Berkeley Tax Collections Best in Ten Years

Savings on Soap Would Finance Toledo's Waterworks

By WADE S. SMITH

Berkeley, California, (96,000 population) San Francisco Bay community regarded by many as the outstanding example of well rounded civic development under the city manager plan, continued to hang up laurels for itself with the completion of the 1937-38 fiscal year. Year-end delinquency on the 1937-38 levy amounted to but 1.82 per cent compared with 2.06 per cent for the preceding year, and was the lowest showing in a ten-year period when the highest delinquency was but 7.3 per cent. Collection of back taxes fell off slightly from the previous year as the back-log of unpaid items was reduced, but even so total current and delinquent collections during 1937-38 amounted to 103.04 per cent of the levy, only slightly under the 103.54 per cent collected in 1936-37.

Berkeley, like many other California units, maintains a "cash basis" revolving fund to make borrowing in anticipation of taxes unnecessary. This fund remained at $243,050 in cash at June 30th, all advances to other funds having been repaid in full to maintain a complete cash basis.

Soap Saved to Pay for Waterworks

Toledo Ohio, established its first municipal water works in 1870, drawing its supply from the Maumee River and enlarging its plant as the growth of the city required. On December 8, 1938, the city sold $3,600,000 bonds for an authorized plant to cost over $9,000,000 to provide facilities for shifting the source of supply to Lake Erie.

Not only is the Maumee River supply inadequate, especially in dry periods when curtailing of water use is necessary, but the river water is high in "non-carbonate hardness," resulting in excessive scale in pipes, boilers, etc., and requiring use of large quantities of water softener and powerful soaps. The lake water is "soft", and although the city's water department has had annual net earnings sufficient at present water rates to amortize the debt on the new construction, engineers have estimated that the savings to the city's householders and industries will more than offset the cost of the new source of supply. The experts figure the use of lake water will save $716,000 annually—$440,000 in extra household soap, $150,000 in deterioration of linen, $80,000 in extra fuel and deterioration of family water heaters, $29,000 in extra use of softening compounds by railroads, and $17,000 in extra use of softening compounds by other industries. The saving in soap alone when lake water is available is estimated to amount to $3.50 per average family. Debt service on the new plant will be well within the saving on soap alone, the saving on the other items representing a clear profit for the community, so to speak.

Although the elimination of waste resulting from the present hard water supply played no part as an issue in the election at which the plant addition was authorized, the estimates are illuminating in throwing light on the dollars-and-cents results of an expensive community project. The soap wasted in hard-water cities throughout the nation staggers the imagination.

Philadelphia Council Faces Tax Dilemma

With its 1939 budget approximately $26,000,000 short on the revenue side, Philadelphia's city council on November 26th enacted a 1½ per cent city income tax to take the place of a 2 per cent city sales tax expiring December 31, 1938. The tax was immediately attacked in the courts and upheld, with reservations, by the State Supreme Court in a decision handed down on December 5th.

The income tax law as enacted provided for a flat 1½ per cent tax, with certain exemptions, on incomes of persons working in Philadelphia whether they were residents or non-residents of the city. A credit of $15—equivalent to a $1,000 exemption—was to be granted for filing a return, and farmers and domestic workers were to be exempted entirely. The Supreme Court upheld the constitutionality of the tax, but threw out all the exemptions. In addition, the court "assumed that regulations will be promulgated" to have the tax collected "at the source," an interpretation which is puzzling proponents of the tax since the tax is directed against 1938 incomes which obviously can hardly be collected at the source during 1939.

Following adoption of the Philadelphia tax law, labor threatened a general strike if the plan were allowed to become operative, while numerous groups joined in demonstrations in opposition with the city hall picketed by anti-tax advocates.

At a recent meeting, therefore, the council, without repealing the income tax, passed a three-cent sales tax law. This law the mayor has promised to veto. According to the business men of the city, the two-cent sales tax has meant the loss of millions of dollars to Philadelphia merchants and the raising of the tax to three cents on the dollar will have even more drastic effect upon trade.

At this writing strong protests are arising over both the income tax and the new sales tax, while the city council faces the dilemma of finding some means of raising the necessary funds for 1939 without arousing too greatly the ire of its taxpayers.

At a recent meeting of the council the income tax law was repealed. Ed.

Texas Road Debt Reorganization Urged

Reorganization of the structure of over $209,000,000 highway debt in Texas, with indicated savings to taxpayers of from $4,000,000 to $8,000,000 a year, is recommended in a survey prepared by Norman S. Taber and Company, New York fiscal consultants, and filed late in November with the State Highway Commission and the Board of County and District Road Indebtedness. The survey was authorized to be made by or for the two boards by a joint resolution of the Texas Senate and House passed late in 1937, which directed that they investigate "the ways and means of reducing, if possible, the annual burden of the present county and district road indebtedness in the state by means of a comprehensive reorganization program of the debt structure, or by changes of administration, or by such other means as may be found . . . " The two boards were directed to report their findings and recommendations to the Governor and legislature by January 1, 1939.

Centralization of highway development and maintenance has come slowly in Texas. Although a coördinated state program was adopted as early as 1917 in order to participate in federal highway aid, highways continued largely the responsibility of the localities for many years and it was not until 1932 that the state assumed ownership and control of all designated state highways with all future improvement of the state system to be under the direct and exclusive control of the state highway department. Also in 1932, the state set aside one cent of the gasoline tax to be used to meet principal and interest requirements on county and road district debts incurred to construct facilities made a part of the state highway system. The eligible road debt of the counties and road districts now totals about $182,000,000.

At present the state acts as disbursing agent for county and district road debt, receiving from each locality the funds to cover the local portion of service and then adding the state's reimbursement on the eligible debt. The state has in no sense assumed the eligible road debt, however, and the payment of debt service on the portion eligible has been for two-year periods subject to legislative re-enactment. Interest rates carried on many of the local road bond issues are high, and the road debt has necessarily been involved in defaults in those counties and districts which became involved in difficulties.

The Taber survey recommends the immediate reimbursement by the state of the $182,000,000 eligible road debt, by means of a state highway refunding bond issue in serial bond form maturing in from one to nineteen years. If the refunding bonds were sold at 3 per cent, the gross interest cost over their life would be about $58,000,000 or a total cost of $240,000,000.

Service on the refunding bonds would be met, first, by reallocation of the motor vehicle registration fees, to the extent that the counties annually pay to the state from motor vehicle fees they now get, up to 4 per cent of the principal amount of such road debt as is now supported by the counties. This would amount to approximately $3,800,000 annually. Secondly, provision for the payment of the interest charges of about $13,000,000 annually would be made by the pledging of one cent of the gasoline tax and the state's share of the motor vehicle registration fees as reallocated. Any excess of revenues would be released to the highway fund.

The plan would save up to $55,000,000 to the taxpayers of the state during the next twenty years, with a saving to the counties of from $52,000,000 to $96,000,000 in debt payments over the life of the bonds. County interest payments would be reduced $4,000,000 to $8,000,000 annually as compared with 1938. In addition, over $1,500,000 would be released to the highway department annually for new improvements, while the debt would be reduced more rapidly than it is scheduled at present. Greater security to bondholders and strengthening of the credit position of the localities would also result. Consummation of the plan would, however, be largely dependent upon the coöperation of holders of present highway bonds, since only a relatively small portion of the outstanding bonds are callable prior to maturity.

Asbury Park Discharged from Bankruptcy

On December 10, 1938, the New Jersey State Municipal Finance Commission ordered the city of Asbury Park discharged from its jurisdiction after nearly three years of a virtual bankruptcy receivership. The order followed agreement in June to a refunding plan by creditors representing more than 85 per cent of the city's indebtedness, which had been in default as to principal since 1933 and as to interest since 1934. The city was expected to be discharged shortly also from the jurisdiction of the special four-man Beach Front Commission, appointed in 1936 to conserve the beach revenues which constituted the "self-supporting" security against which much of the city's debt had been incurred.

The refunding plan approved by the State Supreme Court order in mid-1938 followed a long and stormy effort to reorganize the city's debt. Litigation between the city and bondholders, the state and the city, and contention between various bondholders' groups several times upset plans on the verge of acceptance. The program now operative was based on the issuance of $10,402,200 callable term refunding bonds, bearing 4 per cent interest, due in 1966 and callable by lot after any interest payment date. A short-term obligation owed the state for unpaid state taxes, amounting to $328,999, was not refunded. Accrued interest of $2,244,381 was waived in the amount of $983,116, and the balance, representing a payment of 3 per cent per annum, was paid in cash accumulated from various levies made under mandamus during the protracted litigation. A debt service fund was set up, with stipulated annual levies including reserves provided for and calling of term bonds when cash reached certain levels made mandatory. A revolving fund for financing operations was also established.

While composition of the city's debt is long overdue, the plan is extremely liberal to the city's creditors, involving only a fractional write-down in the annual interest rate and no sacrifice of principal. Moreover, many of the restrictions placed upon the city to insure funds for debt service are untried, and may or may not work. The direct tax-supported debt of Asbury park is unduly high—over $600 per capita, raised to over $650 per capita when the underlying county debt is considered—and some scaling of the debt to more manageable proportions may yet prove necessary. Past wastes and extravagances may explain such a high debt, but the mere explanation does not make the burden any the more supportable.

Tennessee Cities Ask Share of Gasoline Tax

A new organization called the Municipal

League for Tax Adjustment has been formed in Tennessee for the purpose of securing a share of the state gasoline tax for cities. At present, five cents of the seven-cent gas tax is retained by the state and the remaining two cents are returned to the counties. It is proposed that the seven-cent gas tax be continued but that the revenues from it be redistributed with four cents going to the state, two cents to the counties, and one cent to the cities. Based upon the 1936-37 gas tax revenues, the cities' share would amount to some $2,500,000. Judging from the response of city officials to this program whereby the cities will receive new revenues, one may anticipate a strong campaign at the 1939 legislative session to accomplish this end.

LYNDON E. ABBOTT
Tennessee Valley Authority

Kansas City Refunds to Avoid Default

Kansas City, Missouri, a manager city which like Asbury Park failed signally to live up to its opportunities, sold privately during November an issue of $1,200,000 water refunding bonds. The transaction was the first step in the final act of a drama which will cost the city's taxpayers millions, and brings to a head a long period of insufficient provision for debt and several years of certainty that the city would have to refund maturing bonds if it was to avoid default.

From the date of issuance of nearly $17,000,000 of term bonds, the city had failed to provide adequate sinking funds, and what had been provided was reduced almost to zero in 1935-36. In that year $4,274,000 of general improvement term bonds matured, but two months before the maturity, the general sinking fund had total assets of only $980,304, while the water sinking fund had $1,749,436. In the face of prophecies that the term bond maturity could not be met, the city (illegally, it is alleged) used the water sinking fund as well as general sinking fund assets, and in addition borrowed, without charter authority, $1,250,000 from local banks. At the end of 1935-36 combined assets of the two sinking funds had been reduced to less than $18,000, with term bonds amounting to $13,100,000 to fall due within the ensuing seven years. The first sizeable block of these bonds was due this year, 1938-39, with $1,250,000 water term bonds maturing and $200,000 general improvement term bonds due. The sinking fund assets of both funds at the beginning of the year, May 1, 1938, totalled less than $14,000. Some $650,000 general improvement term bonds mature in 1940-41, and a final $11,000,000 water term bonds fall due in 1942-43, with refunding of all but negligible portions of both maturities prospective unless the city sharply reverses present policy and begins the rapid accumulation of reserves. Unlike Asbury Park, discussed above, the debt burden in Kansas City is moderate, $71 per capita for the city compared with a median of $79 per capita for cities of 300,000 to 500,000 population. The over-all debt—total of all governmental units supported by taxes levied against property in the city—is $137 per capita, slightly over the group median of $121. The expensive extension of maturities, with added interest cost, by refunding is therefore to be chalked up to mismanagement rather than to inability of the community to support its debt.

New York P. R. Ban Defeated in Every County

Statement by Judge Seabury

Annual P. R. Meeting

By GEORGE H. HALLETT, JR.

The final official figures on the nine state constitutional amendments voted on in New York on November 8th show that the amendment prohibiting proportional representation was the worst-defeated of the three defeated amendments, losing by a ratio of nearly two and a half to one. It failed to carry a single one of the sixty-two counties in the state. In New York City, where powerful politicians made a determined effort to carry it, the amendment was defeated in each of the five boroughs by ratios varying from three to two in Richmond (which voted against the adoption of P. R. in 1936) to nearly five to two in the Bronx. The official figures were as follows:

	For the Ban	*Against the Ban*
Bronx	66,356	160,865
Brooklyn	117,713	268,534
Manhattan	93,010	172,197
Queens	66,594	155,889
Richmond	11,358	17,553
New York City	355,031	775,038
Outside N.Y. City	272,092	779,366
Total	627,123	1,554,404

Judge Seabury Answers Robert Moses

During the recent campaign for the adoption of P. R. in Schenectady (which came within striking distance of success and is being resumed for next fall) publicity was given by opponents of the charter amendment to a letter from Park Commissioner Robert Moses of New York City, who has been strongly opposed to P. R. for some years. Mr. Moses was answered by Judge Samuel Seabury, who was counsel for the famous legislative investigation of New York City government during the administration of Mayor Walker and recommended the adoption of P. R. in his final report. The answer was in the form of a letter to Richard K. Hamlen, Chairman of the Schenectady Citizens Council for P. R. Since it deals with a number of the more widely held objections to P. R., it is reproduced here in full:

"Dear Mr. Hamlen:

"Thank you for sending me the copy of Commissioner Moses' published letter advising the voters of Schenectady not to adopt proportional representation next Tuesday. The letter makes it apparent to me that Mr. Moses has been so busy with his many good works on behalf of the public that he has not given this matter careful attention, for most of his statements about it will not stand analysis. My own advice to the voters of Schenectady or any other city would be emphatically in favor of adopting this improved instrument of democracy.

"Mr. Moses' first specific charge against proportional representation is that 'a considerable number of voters do not understand it.' Here in New York at least enough of them understood how to use it so that the total valid vote for councilmen under P. R. was 100,000 greater than it had ever been for aldermen under the old system; and the number who actually helped elect candidates for whom they voted was nearly half a million more.

"Mr. Moses says, 'The counting of the votes is a long and tedious process opening up all sorts of suspicion and shenanigans.' Our count in New York was dragged out considerably by deliberate soldiering on the part of some of the ten-dollar-a-day employees, but the central count conducted in the white light of public attention was a better safeguard of accuracy than we have in ordinary elections. When a few of the counters in one borough attempted to cheat, the checks inherent in a P. R. count exposed them immediately. Schenectady need have no fear of a long count, for experience elsewhere shows that in a city of that size the count can easily be completed in two days. The last two P. R. counts in Cleveland took only three days each.

"Mr. Moses repeats the usual theoretical charge that 'the system encourages religious, professional, factional, and minority voting.' Of course there is always under any system a good deal of voting along lines that have little logical connection with the real issues, but how little this was encouraged by P. R. is illustrated by a comparison of Jewish votes and councilmen elected in the Bronx and Manhattan. In the Bronx, which has a very heavy percentage of Jewish voters, not a single Jew was elected to the borough's delegation of five councilmen. In Manhattan, with a smaller percentage of Jewish voters, three Jews were elected out of a total of six, one from each of three political groups. Since four-fifths of all those who cast valid ballots helped to elect persons of their choice, it is evident that a great many non-Jews voted for and helped to elect Jews in Manhattan and a great many Jews voted for and helped to elect non-Jews in the Bronx.

"One of the most surprising charges in Mr. Moses' letter is that P. R. encourages 'irresponsibility on the part of those elected.' In the old Board of Aldermen a large part of the members were completely irresponsible, simply taking their opinions ready-made from the party machine and acting as rubber stamps. In the new City Council a much greater part of the members feel their own personal responsibility to the voters who elected them. This means, of course, more independence of judgment and less 'party responsibility' in the sense of party machine domination, but that, it seems to me, is a result greatly to be desired.

"Mr. Moses deplores the possibility under P. R. of having three or more groups represented in the Council, no one with an absolute majority. This can only happen if no group has a real majority of popular support, for a real majority group is surer of wining a majority of the seats under P. R. than under any other system. To give a group which does not have a real majority of popular support a controlling majority of the members is a flagrant violation of the fundamental American principle of majority rule. I understand you do not have to go beyond your last two Council lections in Schenectady for instances of hat kind. P. R. is the best protection against rule of the minority because of division in the majority.

"Mr. Moses gives considerable space to a discussion of the city manager plan of government. This is hardly germane to the present discussion, for you have the city manager plan already and there is no proposal before the voters to change it. I should like to point out, however, that his fears concerning the ability of the Council to choose a manager if there are wide differences among the councilmen on other matters are illusory. The very fact, if it should be a fact, that no one political group had a majority by itself would make it easier to reach an agreement that the manager should be non-political and chosen on a basis of merit. The city managers chosen by P. R. councils have by and large been among the most eminently successful of American city executives. When the Cincinnati P. R. City Council chose its present outstanding city manager, Colonel Sherrill, it did so by unanimous vote.

"Mr. Moses refers to the machinery of proportional representation as 'freakish and accidental.' That would better describe your present election machinery, under which a minority of the voters can elect a majority or all of the members or none at all, depending on whether the opposition is united or divided. No such freakish results can happen under P. R.

"Mr. Moses concludes with Alexander Pope's plausible but dangerous couplet:

> For forms of government let fools contest.
> Whate'er is best administered is best.

Would he really contend that a totalitarian dictatorship, if well administered, is better than even an inefficient democracy? There is the same sort of difference between the old defective plurality system of electing representatives, with its tendency to unchecked machine control, and the even-handed justice assured to all voters by proportional representation.

"Sincerely yours,

SAMUEL SEABURY"

P. R. League Holds Annual Meeting

The annual meeting of the Proportional Representation League was held on December 3rd at Baltimore, Maryland, in conjunction with the annual conference on government of the National Municipal League. Two sessions, morning and luncheon, were assigned to the subject of P. R.

In the absence of Professor A. R. Hatton of Northwestern University, president of the League, C. G. Hoag, its honorary secretary, presided at the morning session, at which a brief business meeting was held. Richard S. Childs of New York, Paul H. Douglas of Chicago, A. R. Hatton of Evanston, Illinois, C. G. Hoag of Haverford, Pennsylvania, J. Henry Scattergood of Villa Nova, Pennsylvania, and Thomas Raeburn White of Philadelphia were reelected as trustees for the ensuing year. C. A. Dykstra, president of the University of Wisconsin and of the National Municipal League, was elected as trustee to fill the vacancy caused by the recent death of Henry Bentley.

A resolution of regret at the untimely death of Mr. Bentley and of respect for his memory was adopted.

The rest of the morning was devoted to a discussion of P. R. and campaigns for its adoption during the past year. Speakers and their topics were as follows: Walter J. Millard, "A Demonstration P. R. Election"; Julian G. Hearne, Jr., "The Successful Defense of P. R. in Wheeling"; H. C. Loeffler, "The P. R.-Manager Votes in Massachusetts"; Arthur S. Otis, "A P. R.-Manager Charter Adopted in Yonkers"; Richard K. Hamlen, "The First Try in Schenectady"; George H. McCaffrey, "P. R. and the New York Constitutional Convention"; and George H. Hallett, Jr., "What Lies Ahead."

The two addresses given at the luncheon were made by Thomas Evans, chairman of the Philadelphia Charter Commission, whose topic was "A New Charter for Philadelphia," and Newbold Morris, president of the New York City Council, who spoke on "The Twentieth Century Significance of Municipal Government." Paul Kern, president of the New York City Civil Service Commission, presided at the luncheon.

E. S. P.

LOCAL RESPONSIBILITY FOR PUBLIC ASSISTANCE

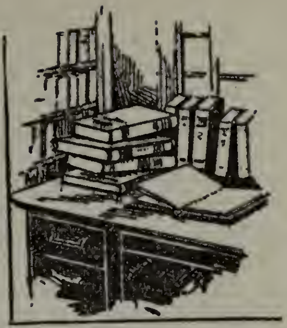
(Continued from Page 22)

though our planning must proceed on a nation-wide scale, this ultimate point—the point where the "plan" and the people meet—is still the local community. The city and the town remain the foundation of the whole structure, the place where every public welfare program, whether based on federal and state coöperation or not, must actually get down to brass tacks and do its work.

Public welfare has come a long way from the rigid insularity of its traditional localism. But all the roads of national public welfare planning lead back to the new localism, in which each community becomes the focal point not only for the nation-wide problems of our complex industrial society, but also for nation-wide efforts to safeguard the security of individual citizens.

Editor's Note—Address delivered before forty-fourth annual National Conference on Government of the National Municipal League, Baltimore, Maryland, December 2, 1938.

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

The American Politician. Edited by J. T. Salter. Chapel Hill, University of North Carolina Press, 1938. xvi, 412 pp. $3.50.

Probably not many serious students of politics read Walter Winchell's columns, but it is doubtful whether those who do are ever tempted to draw scholarly conclusions on the basis of information contained in them. They would not dream of remarking, for instance, that "bassinetting" these days appears to be confined to blonde show girls who are married to newspapermen, or that the duration of affairs of the heart among society people is longer (shorter) than among Broadway personalities.

Nevertheless, this reviewer is willing to lay a small wager on the possibility that students of politics will find their consciences prodding them on to generalizations when they scan the Winchell-ish gallery of politicians that J. T. Salter has assembled from many pens. The thing is positively tantalizing to anyone who has ever associated with that earnestly generalizing body of knowledge known as "political science." As Professor Salter ightly points out in his introduction, "The most important task confronting the people in a democracy is that of picking the ight politicians." Well, then, here are airly complete, albeit short, biographies f nineteen of those currently and prom- nently picked. Should there not be some general principle or principles to be derived from these personalities and careers which will give the political scientist a potent talking point in his lectures on, or dalliance with reforms of, the democratic process?

Perhaps there should, but there apparently isn't. The LaGuardias and the Hoans and the Chandlers and McNutts have characteristics in common—but they have these characteristics in common with good poker players, the presidents of many a steam fitter's lodge, and a good many soda-jerkers. Anyone who wants to read *The American Politician* had better relax and decide to enjoy himself from the beginning. This well—in some cases superbly—written book is concerned with some of the most interesting names in the history which is being currently made. Those names include LaGuardia, Vandenberg, McNutt, Norris, Wagner, Tydings, Robert La Follette, Jr., Maverick, Chandler, (John L.) Lewis, Farley, (Norman) Thomas, Hoan, (S. Davis) Wilson, (Sol) Levitan, (Joseph) Sickler, Brancato, Heuck, and Honest Tom McIntyre (a pseudonym). The writers include newspapermen, professors, and public officials, almost to a man possessed of insight, humor, and literary talent. Hence the result of Professor Salter's fortunate genius for assembling the writers and subjects is a delightful three or four hours, maybe more, with some fascinating people.

There is not much point in giving any

of the details about the subjects' lives, personalities, and careers. So much retellable information is packed into the volume that to choose one item would be to insult the rest. The very existence of the volume (a generalization at last!) proves at least the entertainment value of democracy. The news which has been coming to us out of the dictator countries these past few years has been noticeably deficient in personalities. Usually there is one dominant Personality, about whom the nature of the regime usually prescribes a journalistic diet part prevarication, part half information, part utter silence. But a democracy is replete with leaders, big and little, whose very livelihood demands that they endure the most merciless publicity. Usually, of course, they love it. And well it is that they do, for the American public is ready to eat it up, political scientists undoubtedly included. This book has Horatio Alger, *Dead End,* and Amos 'n' Andy beat all hollow. Any reader will find at least a few among the nineteen whom he can count as personal heroes, although he may have a harder time finding villains. But whether you're looking for a vaudeville show, a teaser for your scholarly mind, documentary proof that politicians are supermen or the reverse, or the Achilles' heel of a single man, *The American Politician* was compiled expressly for you.

(P.S. There is a photograph of every politician supplied with every word portrait. If you get tired of reading you can look at the pictures.)

M. R.

This Man LaGuardia. By Lowell M. Limpus and Burr W. Leyson. New York City, E. P. Dutton & Company, 1938. 429 pp. $3.00.

On the jacket of this book are listed eight roles that Fiorello H. LaGuardia has played on the stage of life. The one he now fills, "the greatest reform mayor in New York's history", to quote the jacket, is the role most Americans know something about. But we have long stood in need of an account of the years preceding, in order that it might throw some light upon what emotional experiences have gone into shaping the character and furnishing the titanic drive of this man who holds the second most important position in the public life of these United States.

To give the suggestion that he has simply been playing roles, however, is not fair to the man, in spite of the drama even to the point of theatricality which at times surrounds his acts. This book demonstrates that he so acts because the inner core of the man is that flaming hatred of wrong and injustice, that passion for the people, which great historical figures have had who later became prototypes for dramatists.

In appearance and because of the same racial strain, that easy likeness, Napoleon, first comes to mind. But to this reviewer, the bandy-legged cavalryman whose statue stands on guard outside Westminster Hall—Oliver Cromwell—had much of the soul-stuff of this thoroughly American son of Latin blood, though in LaGuardia there is more pity than Cromwell could feel.

The writers are journalists who say they tried to picture the man without evaluating his motives or principles. Fortunately they could not write about their subject without letting us know what those motives are.

Each one who reads the book, and its readers should number thousands, must judge those motives, their objectives, and their ethical and social worth for themselves. They must do more: they must enlist against them if they are felt to be unwise and be as unsparing of their energy as LaGuardia has been of his, for young Americans will not read Horatio Alger today, and they will gladly barter the chance they will be rich for the price of a movie. Nevertheless, they seek, as every youth must, some golden fleece. LaGuardia's story will crystallize the nebulous dreams of many into "I too will help my city be a means of serving those who live, labor, and love within its boundaries."

WALTER J. MILLARD

Problems of a Changing Population. Report of the Committee on Population Problems of the National Resources Committee. Washington, U. S. Government Printing Office, 1938. 306 pp. Seventy-five cents, paper bound.

Through the year 1860 the population of the United States increased roughly one-third during each decennial period. By the census of 1900 the rate of decennial increase had dropped to 20.7 per cent, rose to 21.2 per cent for 1910, and declined to 16.2 per cent and 14.8 per cent by 1920 and 1930 respectively. The 1940 census is expected to show an increase for the ten years 1930-1940 of about 7.2 per cent, based on an estimated increase of 3.6 per cent from 1930 to 1935. The social and economic implications of this slowing down of the rate of population growth present the problems examined at length n this study of population trends.

As far as the layman is concerned, the tudy is probably most remarkable for its rognostications—among them that our opulation will reach its peak at not more han 158,000,000 within fifty years, that he number of births reached its peak in 921-25 and will continue to decrease, that he proportion of "old" persons is growing rger.

For the researcher, the municipal plan- er, the salesman and advertiser, it is a old mine of facts and figures on observed hanges in our population and probable ture trends. Numerous charts, tables, nd maps illustrate the nine chapters deal- g with specific problems of migration, production, health, education, culture, d economic opportunity in relation to pulation.

Of considerable interest are three ap- ndices, one summarizing the need and fields of population research, one a bibliography, and one describing in detail the continuous register system of population accounting used in Belgium, Sweden, and The Netherlands. The latter will appeal particularly to all who have occasion to use population statistics and have felt the inadequacy in late intercensual years of decennial census figures. The need for accurate intercensual estimates of even crude population statistics is well known, and the description of the continuous record system used successfully abroad suggests that adaption of the system to United States' needs should receive the serious attention of the Bureau of the Census and of the Congress.

The study was prepared by the Committee on Population Problems, of which Edwin B. Wilson, professor of vital statistics in the School of Public Health at Harvard University, is chairman. The technical staff was directed by Frank Lorimer.

W. S. S.

The Parking Problem in Central Business Districts. By Orin F. Nolting and Paul Oppermann. Chicago, Public Administration Service, 1938. 30 pp. $1.00.

This report outlines the extent to which cities are providing public off-street auto parking areas, establishment of privately-owned parking lots, municipal regulation of such parking lots, etc. Data for thirty-three cities on the capacity, operating cost, and other information on city-owned parking lots and data for each of seventy-two cities on privately operated off-street parking areas, including the number and capacity of such lots, range of charges, number of parking garages, etc., is included.

Half of the report is devoted to methods of solving the parking problem, based on the best practices developed in 147 cities.

In-Service Training of Federal Employees. By Earl Brooks. Chicago, Civil Service Assembly of the United States and Canada, 1938. 74 pp. $2.00.

In this booklet the author has presented the only comprehensive account available of the numerous post-entry training programs which are being conducted in the administrative agencies of the federal government. In addition to a description of training activities, comment is made upon recent trends and methods developing in this important phase of public personnel administration.

Better City Government. Edited by Roy V. Peel. Philadelphia, The American Academy of Political and Social Science, 1938. xx, 302 pp. $2.00.

This is the September 1938 issue of *The Annals*, which has been devoted to a discussion of the goals and achievements of municipal government in this country. Thirty "experts" on government have contributed to the volume, which should prove a most excellent addition to any library on municipal affairs.

A supplement, "The Sino-Japanese Conflict", is included.

LESSON NO. 1: "HOW TO BE SMART"

(Continued from Page 4)

legislative body is supreme. They charged that "city manager managed cities have higher per capita debt than cities administered under Chicopee's present form of charter," whereas the debt tabulations prepared every year for the NATIONAL MUNICIPAL REVIEW demonstrate that with few exceptions the opposite is true.

It is tactically bad, of course, to be put in the position of having to say each day, "The other side told another lie." As the "smart boys" are so well aware, there's quite an advantage in keeping opponents on the defensive, especially when you know you are the ones with pasts to account for.

It is not so surprising that the manager plan lost in Chicopee and in a number of other cities where the "reformers" weren't "smart" in the same manner their opponents were. Rather it is surprising that they came so close to winning that a re-count was ordered before the result was definitely accepted.

On the other hand (fortunately for good government there is another hand), sleight-of-hand is not the only way to win elections. And it appears that it is not the best way either. There's apt to be rather a nasty mess when the innocent members of a ship-board pinochle game get "wise" to the card-up-the-sleeve methods of their new-found boon companions. Similarly, the number of cities where the "dumb" reformers have beaten down the "smart" politicians shows that there can be another kind of smartness. Verily, "Ye shall know the truth, and the truth shall make you free." Even in Chicopee, it may yet happen.

NATIONAL MUNICIPAL REVIEW

County Government 1939

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National Municipal Review

Editorial Comment

Progress in the Counties

FOR the fourth time[1] the NATIONAL MUNICIPAL REVIEW devotes an issue to discussion of problems of county government. The articles published herein, written by some of those who have been deeply and thoughtfully concerned with county problems, present a challenging picture.

In the confusion of the decentralized, irresponsible structural organization of the county, the political spoils machines have had some of their richest pickings—but, oddly enough, the "shame of the *cities*" is what makes all the headlines.

Sensational facts which indicate how universally counties are failing to "make democracy work" are widely publicized only occasionally, as in New York City which is in the unique position of being made up of five so-called counties, or in other big cities whose people never seem entirely aware that they live under two governments serving exactly the same territory.

Almost all of the more than 3,000 counties in the country (with practical need for perhaps 25 per cent of that number) seem to present a uniformly depressing picture of political control at its worst, serene adherence to the spoils system, wasteful inefficiency, lack of administrative organization, diffusion of responsibility to the point where there is virtually none, accompanied by an amazing indifference on the part of the voters.

Even in those counties where cities which make up the major share of the counties' populations have splendid records of governmental accomplishment, the good example appears to arouse more resentment and cupidity than a "go thou and do likewise" attitude. As a city man, a voter will insist on nonpartisan elections, the merit system, efficient and honest administration, and all the other elements which go into the formation of what is termed "good government"; but when he votes as a countian, he seems to be another person.

To illustrate: One of the most enlightened, cultured, well governed cities of the middle west lies in almost the exact center of a prosperous county which has far above the average amount of education and general intelligence. A few years ago there were two candidates for coroner, one a pathologist of some note who has frequently been called in by coroners to investigate particularly difficult cases, the other a man whose chief qualification seemed to be that he was an unusually active war veteran. The veteran won because he was on the ticket of the political party which carried the state. And the pathologist felt silly over having let his friends in the other party persuade him to run by appealing to his sense of civic duty.

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[1] Previous county issues, August 1932, October 1934, October 1936.

But beneath the murky clouds which tend to keep the counties in blissful obscurity bright beams of light are beginning to appear. The articles in this REVIEW reveal some of them. It probably is impossible to make an accurate guess at the number which have inconspicuously taken large strides forward.

There are counties in which the governing bodies have quietly picked a particularly able person to assume administrative duties. There are six counties which have the manager plan outright. There are a number of other counties which have elected executives or other chief administrative officers. There have been consolidations of offices and functions—even functional consolidations as between counties.

There are some who will doubt the ultimate wisdom of another kind of "county consolidation" which has been going on in the form of surrender of services to the states, for they fear this development as a step toward the total loss of independence in the primary units with its implied threat to democratic processes.

But whether it can be credited to increasing enlightenment on the part of the sovereign voter or the increasing threat from the states of "do a good job or die!" the counties appear definitely to be struggling to escape the apt appelation which has been hung on them, "the dark continent of American politics."

To Greater Achievement in Kalamazoo

THERE have been strange doings in Kalamazoo. A little more than a year ago this Michigan city of about 60,000 population was widely publicized when it burned its last bond and became the only debt-free pay-as-you-go city of over 50,000 in the United States.

With magazines, newspapers, and public speakers singing its praises and discussing the sound management and enlightened financial program which made this record possible despite the depression, Kalamazoo might well have been forgiven if it had become self-satisfied and indulgent.

But there was none of this. Instead, the city fathers called in the "experts"—a prominent firm of consultants in the field of public administration and finance[1]—to make an exhaustive survey with

(Continued on Page 133)

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[1] J. L. Jacobs & Company, Chicago.

The State Commission of Local Government

By **RAYMOND B. PINCHBECK**
Chairman, Virginia Commission on County Government

Experience in Virginia, North Carolina, and elsewhere indicates that establishment of permanent local commissions by the states may be one approach to the solution of county problems.

AS CLEARLY pointed out by Professors Fairlie and Kneier and others, judicial opinions give the American county a legal position wholly subordinate to that of the state government. This is in contrast with the ancient Anglo-Saxon shire which enjoyed large local autonomy prior to the governmental centralization which followed the Norman Conquest, but has since become largely an administrative district of the general government.

This latter view was early taken in America, prior to and subsequent to the beginning of the popular election of county officials. Chief Justice Roger B. Taney stated in 1845 that "counties are nothing more than certain portions of the territory into which the state is divided for the more convenient exercise of the powers of government." Another federal court held in 1907 that counties "exist only for the purpose of the general political government of the state. They are agents and instrumentalities the state uses to perform its functions. All powers with which they are entrusted are the powers of the state." The American state courts have ruled in substantially the same terms on the relation of the county to the state government.

In summary, it may be said that in the broadest sense all local government is but a subdivision of the government of the state itself. In the main, the state creates the county as the unit of government to render governmental services to rural areas, while it creates the town and city to render governmental services to essentially urban areas.

The county derives its existence directly from the same state constitution upon which the state government, itself, rests, while the municipal corporation derives its specific, detailed charter privileges of local self-government from an act of the state legislature as permitted by the state constitution.

One recognizes that this is somewhat of an oversimplification of the importance of local government. In 1934 Professor William Anderson of the University of Minnesota stated that there were 175,369 units of local government in the United States. These included 3,053 counties, 16,366 incorporated places, 20,262 towns and townships, 127,108 school districts, and 8,580 other local units.

In spite of this legal subserviency of the county as an administrative district and agent of the state, we like to think of the county as an important unit of local democratic self-government. Even though the county judges have always administered the system of state justice, county prosecuting attorneys have prosecuted criminals charged with the violation of state laws, county sheriffs have made arrests of, and had the custody of prisoners and served state court writs, county tax assessors have assessed state taxes, and county treasurers have collected state taxes, we ordinarily elect these officials by local vote and somehow regard them as local officials in a local democracy.

STATE SUPERVISION EXTENDED

During the past twenty-five years there has been notable extension of state authority in the fields of parks and recreation, agricultural promotion, education, health and sanitation, institutions for delinquents and defectives, highways, public welfare, food inspections, and, to a lesser degree, in other fields. In the case of highways, the state has in some instances taken over their construction and maintenance. In North Carolina the state has assumed the entire responsibility of operating the public schools, no county taxes being levied except for debt service. The same is true for North Carolina highways including county roads.

Thus the county has lost certain formerly local functions, in whole or in part, to the state government, or, in certain instances, to municipalities and special districts. However, as pointed out by President Hoover's Research Committee on Social Trends in 1933, the county has in many instances assumed new functions "made necessary by increasing population and its demands. This movement enabled the county to maintain its place in the state plan of local areas." It might be added that federal government relief and public works, as well as the national program of social security, have made a notable mark on the county since this date.

The Hoover Committee listed the new county functions which had appeared largely since 1915 as:

1. County and regional planning for future growth;
2. The erection and maintenance of memorials, armories, and other memorial buildings;
3. The employment of county nurses;
4. Establishment of full time health departments;
5. Establishment of clinics, hospitals, sanitoria, and other institutions;
6. Introduction of specialized child welfare work;
7. Payment of pensions to mothers, the blind, and the aged;
8. Establishment of libraries to serve rural areas;
9. Establishment of the county unit system of education;
10. Provision of transportation to school children;
11. Aid to agricultural interests through fairs, farm agents, instruction in raising produce, the elimination of pests, financial aid in seed purchase, and crop planning and marketing;
12. Vocational education in agriculture and home economics;
13. Schools for special types of instruction, including adult education, classes for the hard of hearing and sight, juvenile delinquents;

14. Provision of parks, playgrounds, and other recreational facilities;
15. Forest fire prevention;
16. Maintenance of airports;
17. Promotion of trade and general growth through advertising and exhibitions.

Following the "muckraking" decade of the 1890's, American cities made considerable strides in the elimination of corruption and the introduction of efficient administrative organization and procedures. These improvements included the introduction of budget systems, modern accounting, audit and reporting, departmentalization of administration, reduction in the administrative functions of city councils, scientific assessment of taxable properties, gradual introduction of the short ballot principle, and in 1908 the introduction of the city manager as business executive for the city's policy-making body. There are now 453 manager cities and six manager counties in the United States. (Twenty-one cities in other countries are also under the manager plan.)

In 1937 forty-one states had eight part-time and thirty-three full-time municipal leagues furnishing legislative information, municipal magazines, inquiry service, in-service training programs, preparation of model ordinances, and coöperative service functions to 7,200 member cities. Nearly 11,000 officials attended annual league meetings in twenty-seven states, while nine leagues held regional meetings.

In some instances surveys of state governments have included a survey of the county government of the state concerned. This was true of the New York Bureau of Municipal Research study in Virginia in 1926-7, the Brookings survey in Alabama in 1931-2, in Mississippi in 1931-2, and in North Carolina in 1929-30. Surveys of county government, however, have been all too few.

COUNTY PROVISION IN CONSTITUTIONS

Many American states have written into their constitutions provision for the election or appointment of certain county officials and otherwise codified the organization and administration of their county government in the organic law of the state. The legislatures of these states, under their constitutional powers, have created still other county offices and prescribed their duties and method of appointment or election. State statutes prescribe and control the county official election machinery and methods. By statute and by financial and administrative control, such state executive departments as those of law, taxation, education, health, highways, public welfare, agriculture, conservation and development exercise important control over the administration of these services in the counties.

From 1921 to 1927 North Carolina attempted the fiscal supervision of its counties through the state auditor, with the same unsatisfactory results found in other states. From 1910 to 1928 Virginia sought to do the same thing through the office of state accountant created in 1910. Only since 1928, under greatly increased statutory authority, has the Virginia State Auditor of Public Accounts been able to compel the keeping of uniform accounts and to require an independent audit of Virginia county accounts, which he publishes for all counties in summarized comparative form.

In other states county government supervision has been placed in the State Tax Commission, as in Wisconsin, the Department of Municipal Accounts and Local Taxation under the Commissioner of Taxation and Corporations in Massachusetts, the Department of Municipal Accounts under the State Treasurer in New Jersey, the State Auditor's office in Ohio, the State Comptroller's office in New York, and the State Bank Examiner in Wyoming.

STATE SUPERVISION FAILS

In general, state constitutional, statutory, electoral, and executive department control over county governmental affairs has failed.

Not only has such supervision failed to result in effective, efficient, economical, and democratically responsible county government, but this failure has forced the state to render increased state financial aid for the operation of county governments, and to assume formerly local functions because of the complete breakdown of county administration of such functions, under the complexities of modern conditions.

The findings and recommendations of the occasional surveys or studies by legislative commissions or professional survey organizations have resulted in relatively small improvement in terms of the elimination of the fundamental defects in county government by constitutional change or by legislative action. They have served, however, to bring to public attention the legion of defects which are demoralizing the effectiveness of local democratic government in American counties. These numerous defects may be summarized as follows:

1. County government is not organized as a county unit with a legislative policy-making board, elected by all the voters of the county, responsible for the administration of all county government affairs. Instead, responsibility is diffused among a large number of independently elected or appointed officers and boards. County government, as a result, has no responsible head.
2. This diffusion of official responsibility causes county government to be highly undemocratic and unresponsive to popular control, since it is impossible to place responsibility.
3. Too many technical and professional administrative officials of the counties are popularly elected or derive their appointment from some other source than the popularly-elected central policy-making board of the county.
4. Monthly or less frequent meetings of county boards fail to provide twenty-four-hour daily service required of modern county governments. Moreover, municipal experience has long ago proved the unwisdom of having a legislative board serve also as an administrative body.
5. The central county legislative policy-making board usually lacks a trained and experienced administrator to execute its policies and ordinances every day in the year.
6. County government functions are not properly departmentalized with

departmental administrative heads appointed by and responsible to the central policy-making body of the county.

7. County government accounting, auditing, budgeting, and reporting methods and procedures are, in general, thoroughly inadequate to afford proper financial control of the counties' fiscal affairs. This fiscal control should be the responsibility of the central county legislative policy-making body which is elected by the voters of the county at large.

8. The counties lack modern centralized purchasing offices, required and equipped to make purchases, under competitive bids, for all county officials and departments, including the schools.

9. Most counties lack an adequate system for the assessment of properties and other taxables, and for tax equalization. As a consequence, the most glaring inequalities exist between citizens owning real estate, tangible and intangible personal property, or other taxables, of substantially the same true value.

10. The salaries of all county officials and employees and all county expenditures should be controlled by the central county legislative policy-making board. All revenues and fees should be paid into the county treasury and expenditures made on order of the county board, as planned by the county budget.

11. There is no adequate program for the proper recruitment, selection, pay, placement, promotion, training, recreation, supervision, separation, or retirement of officials and employees for service in county government.

12. The officers and employees of all special districts within the county should be subject to central county board, just as in the case of all other county officials.

13. County schools are governed and administered by boards and officials largely beyond the control of county voters. Frequently these school boards and officials are actually separate governments apart from the general county government, with tax-levying powers, and little or no responsibility to the central legislative policy-making board of the county elected by the voters of the county at large. The county schools should be a department of the general government of the county, subject, of course, to state department of education standards of performance and supervision.

14. County jails and local lockups should be abolished, except as places for the custody of prisoners during trial, and replaced by regional jail farms, each serving several counties and subject to the regulation of the state welfare department.

15. State statutes often fail to make adequate provision for the removal of corrupt and conspicuously inefficient officials, or officials demonstrably unfit to fill their offices.

16. The area, population, and assessed taxable properties of a large number of American counties do not justify a unit of government of such small size, population, and taxable wealth. It cannot financially support the services required of modern county government. Modern transportation and communication make a larger administrative district feasible and desirable. Only by geographical or functional consolidation can this defect in county government ultimately be solved. Unless this is done shortly, state centralization of all formerly county functions must result. The 3,053 counties should be reduced by at least 60 per cent in number.

LOCAL GOVERNMENT COMMISSIONS

Recognizing that the solution of county government problems requires a long-time program of continuous action, there are beginning to appear in the various state governments permanent commissions on county and local government.

In 1927 the legislature of North Carolina created the County Government Advisory Commission. It was composed of five members appointed by the Governor, three of whom had to be county commissioners, to serve not in excess of four years without compensation except for actual expenses. The commission's duties, as described by Professor Paul W. Wager, required it to take under consideration the whole subject of county administration, to advise with the county commissioners as to the best methods of administering the county business, to prepare and recommend to the governing authorities of the various counties simple and efficient methods of accounting, together with blanks, books, and other necessary improvements, to suggest such changes in the organizations of departments of the county government as would best promote the public interest, and to render assistance in carrying the same into operation. They could from time to time recommend such changes in the laws controlling county government as they deemed advisable.

The North Carolina Commission employed an executive secretary to visit the counties in the state and to advise and counsel the county commissioners and other county officials in methods of economical, competent, and efficient administration in terms of levying and collecting taxes and other revenues, keeping accounts and reporting, and provide published manuals of guidance for county officials.

In its 1930 North Carolina survey, the Brookings Institution found marked improvement in the budgeting and accounting of a high percentage of the counties, and large savings in the costs of county audits. The survey stated that: "Despite the limited powers of the commission, many county officers have stated that its advice and assistance together with the mandatory provisions of the County Fiscal Control Act and the County Finance Act have saved their counties from either bankruptcy or acute financial embarrassment."

COMMISSION RECOMMENDED FOR NORTH CAROLINA

On the grounds that the success of the County Government Advisory Commission was "sufficient proof to indicate the desirability of a more extensive and mandatory program," the Brookings Institution recommended the establishment of a State Department of Local Government headed by a commissioner, appointed by the Governor, who would be advised by a Local Government Advisory Council. This department would serve the counties and the cities. Its commissioner would have power to install uniform accounts, budgeting, and reporting for counties and cities, supervise the accretion of sinking funds of all local governments, and control all local bond issues and other local indebtedness.

In 1931 the North Carolina legislature created the Local Government Commission to succeed the old Advisory Commission. All proposed bond issues of counties and cities must be approved by this Local Government Commission, and such bonds must be sold by the commission. The commission requires the local units to file financial reports semi-annually, and budgets of those units which have been in default on their indebtedness and which have refunded that debt through the commission must be approved by the commission.

Although the commission has considerable powers under the law, including power to compel uniform purchasing procedure, it confines its activities almost entirely to the approval and sale of bonds and working out of refunding plans for those units which have been in default. No improvements in either the form or the procedure of county government have been initiated in the state recently.

In its 1932 report on its survey of state and county government in Mississippi, the Brookings Institution recommended the creation of either a State Department of Local Government or a Local Government Commission. The department would be headed by a commissioner appointed by the Governor, while the commission, if this were established, would appoint a director who would have complete administrative authority over the office and staff. If the commission were created, instead of the Department of Local Government, it would consist of seven members including the state officer in charge of auditing the counties, the head of the State Tax Department, and the Attorney-General, as an ex-officio member, along with four citizens from different parts of the state who were acquainted with county and municipal affairs. Neither of these has been adopted by the Mississippi legislature.

The creation of a State Department of Local Government was recommended by the Brookings Institution in its survey of state and local government in Alabama in 1932. To date, this recommendation has not been approved.

In 1931 the California Legislative Commission on County Home Rule recommended the creation of an Advisory County Commission to continue the study of county governments, and to afford advice to county officials on personnel problems, salaries, taxation, budgeting, auditing, legal work, statistics, and reporting.

Beginning as a state division of municipal statistics and information in 1915, the Pennsylvania State Bureau of Municipal Affairs has a wide range of purely advisory functions of an educational and promotional character. It has operated through three divisions: comparative municipal statistics; auditing, accounting and reporting; and municipal planning.

COMMISSION FOR PENNSYLVANIA

In 1935 the Pennsylvania legislature appointed a special Local Government Commission to study local government with a view to recommending legislation for its improvement. This commission was continued in 1937. Although this commission has reported to the legislature, no marked changes in county government have resulted. Certain problems of and proposed changes in Pennsylvania county government are being studied for the 1939 session of the legislature. Among these is a constitutional amendment, which passed the 1937 legislature and must now pass the 1939 legislature and be voted on by the people, which eliminates as elective officers all county officials except the county controller, the district attorney, and the sheriff. All structural changes in Pennsylvania county government are awaiting this amendment.

VIRGINIA'S COMMISSION

In his study of Virginia county government entitled *Problems in Contemporary County Government,* published in 1930, Wylie Kilpatrick proposed for Virginia a State Commission or Department of County Government, to organize and coöperate with a state-wide association of county officials. This proposed commission or department would have a wide range of supervisory and control functions which would be performed by the following officials: an accountant, an auditor, an assessment advisor, a legal staff member, a statistician, a purchasing agent, a personnel advisor, and field staff examiners. He stated that new services by the county and city from time to time would justify the addition of new technical staff members in such ields as local planning and zoning.

Mr. Kilpatrick proposed that he General Assembly of Virginia charter a State League of County Officials for the purpose of holdng forum meetings on county problems, to provide committees or the study of county problems and recommend changes in laws affecting the counties, to nominate to the Governor a director of the State Commission on County Government Administration, and to appoint three of its members to serve on the State Commission on County Government Administration with three other commission members appointed by the Governor. As a preferable method of choosing the director, these six commission members would select the seventh member who would serve as director of the commission and secretary to the League of County Officials.

The present permanent Virginia Commission on County Government was created by the General Assembly of Virginia in 1930 "as a continuing commission on county government to draft a general law setting forth optional forms of county government, to investigate the operation and cost of county government, and to study comparative county government in Virginia." Its immediate need grew out of the constitutional amendment of June 19, 1928, permitting the counties of Virginia to adopt optional forms of county government other than that detailed in the state constitution. Its initial report to the General Assembly in 1932 covered a complete survey of comparative costs and operation of county governments, the main problems of Virginia county government, and suggested statutes for the creation of the county manager and county executive optional forms of county government which were adopted by the General Assembly essentially as recommended.

The commission reported to the 1934, 1936, and 1938 meetings of the General Assembly. The 1936 report presented a detailed study of proposed geographical consolidations of the one hundred Virginia counties into thirty-one districts. Largely because of bitter factional fights in the seven counties which had held elections on the question of adopting one or the other of the optional forms of county government, and opposition to the mere suggestion of county consolidation, the 1936 and 1938 General Assemblies refused to appropriate any funds for the commission, although Governor Peery and Governor Price recommended a budget item of $2,500 for each of the bienniums. The commission is now functioning without funds, with its five members bearing their own expenses.

The Virginia Commission on County Government is a continuing research body for the purpose of making studies and recommendations to the General Assembly. It has no legal authority or means of rendering even advisory service to counties and their officials. It has rendered, through its chairmen and individual members, educational service in counties where adoption of one of the optional forms was under discussion or pending election. Its reports have been widely publicized in the press and have been used in college government classes and high school civics classes and debates.

At the present time, the Commission is coöperating with a committee of twelve members of the League of Virginia Counties in a study of:

1. A possible third optional form of county government which may be more acceptable to the ninety-seven counties now operating under the old form which has remained essentially unchanged since 1852.
2. The establishment of about thirty "shire councils" composed of the county boards of supervisors and school boards in the "shires," for the regional control of all "state aid" functions of county government without the change of county names, lines, court houses, records, or administrative functions.
3. The establishment of a bureau in the office of the State Auditor of Public Accounts for the administration of the proposed requirement that all cities and towns maintain uniform accounts, auditing procedures and reports, and fiscal years, so as to permit the State Auditor to compile comparable state, city, county and town statistics on the total cost of Virginia government.
4. The creation of "metropolitan areas" to permit Virginia cities to extend city services to a greatly enlarged municipal district by permitting varying tax rates in different portions of the area, varied according to the types of capital outlays provided by the city. This latter proposal is designed to solve the vexing problem resulting from the annexation of county territory by cities which are by Virginia law entirely separate from adjoining counties.

Although only three years old, as contrasted with the League of Virginia Municipalities which was founded in 1905, the League of Virginia Counties includes as members seventy-eight of the one hundred Virginia counties and is rendering a vitally important

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Home Rule for Counties Continues Its Progress

By **ELWYN A. MAUCK**
University of North Carolina

Counties must be encouraged to use the power which is theirs, under numerous state constitutional provisions, to improve their governmental setup.

AGITATION for municipal home rule preceded a similar movement of home rule for counties by several decades. The earlier movement grew during the latter part of the nineteenth century as the result of excessive legislative interference in the affairs of cities. With the rapid growth of cities, such interference was accompanied by corruption, bribery, and mismanagement. The legislators found a very lucrative additional source of income connected with legislation relating to extensive municipal building programs, the giving of franchises to favored public utilities, or through other methods well known to students of the history of municipal government.

To meet the problem of corrupion, reformers attacked the power of the legislature to enact special egislation. First efforts were directed to adoption of constituional amendments requiring that all laws affecting cities be of general application. Many state onstitutions now contain such provisions. Home rule advocates, however, recognized that uniform legislation could not meet the diverse needs of the various cities and found that the only proper place to treat those needs was in the cities themselves. They were successful in securing the adoption of constitutional amendments providing municipal home rule for one-third of the states of the union.

Home rule today is primarily a substitute for special legislation —only secondarily do its advocates concern themselves with the inroads of general legislation, the loss of functions through centralization, or the growth of state and federal administrative regulation and control.

The movement for county home rule finds its justification in analogy rather than in any similarity of historical development. County functions and expenditures did not increase with the same rapidity as did those of cities, and consequently the same opportunity for graft and corruption in the state legislatures did not arise.

It is true that since the turn of the century urban counties have begun to assume municipal functions, and with the need of specialized treatment for these counties there has grown the demand for county home rule. Although the best case for home rule can be made for urban counties, the arguments used are not so restricted but frequently apply to all counties, based on the broad principles of the right of local self-government.

Advocates of the plan have recognized from the beginning of the movement that the adoption of home rule principles could not confer as extensive powers on counties as those conferred on cities. The county, which is the primary administrative subdivision of the state, must remain under closer state supervision than is necessary for the city, which is created primarily to satisfy needs more peculiarly local in their nature. Cities can be given broader authority to modify their powers and structure to meet those needs, but it is assumed that the state can best judge the powers and structure of county government most nearly suited to meet its administrative requirements. With the growing lag in the expansion of city boundaries, however, counties have had to assume new functions municipal in nature. If this trend is accepted as marking the future development of urban counties, the need for self-government in these counties will be as broad as the need for municipal home rule.

The term "home rule" embodies the concept of self-government whether applied to nations, states, municipalities, or counties. Wherever any power of local self-determination exists, there, in some degree, is the power of local home rule. From this point of view, the city political machines that are able to get what they want from the state legislatures, in so far as they represent the city, are exercising their power of home rule.

It is claimed by some that county home rule exists in many states today because it is possible to secure special legislation for any county through friendly intercession by the representative from such county sitting in the state legislature. This view is basically inconsistent with the whole home rule movement, whose main purpose is the elimination of such special legislation. Apparently the subconscious distinction made by those holding this view is that if special legislation is secured by groups identified with corruption it is a violation of home rule principles, but if it seems apparent that the best interests of the county are being served, particularly if at the instigation of reform or "good government" groups within the county, it must fall in the category of county home rule.

HOME RULE IN STATE CONSTITUTIONS

Just as the municipal home rule movement advocated amendment to the state constitution, county home rule likewise is considered generally to be based on constitutional provisions restricting the legislature in its relationship with the counties. Most state constitutions prohibit special legislation affecting counties. In some cases the prohibitions are broad and sweeping, similar to the provisions regarding cities. Such limitations frequently do not limit, for they can be avoided by legislative chicanery.

Express prohibitions most commonly found relate to the transferring of county seats and the changing of county boundaries. Frequently local referenda are required, with extraordinary favorable majorities, before a county seat may be moved or the boundaries changed. Slightly more extensive county home rule is provided in the constitutions of several states where the township form of government is optional. Under such a provision, two counties in Minnesota voted to abandon the township form last November.

The term "county home rule" is applied more commonly to those provisions in state constitutions giving the county the power to draft its own charter or to choose one of several charters found in the statutes of the state and made optional for some or all counties. Some writers prefer to apply the term only to instances where the counties are empowered to draft their own charters. However, in either case the county is subject to the constitution and statutes of the state, and it can adopt no charter provisions contrary to them.

In both cases the principles have been borrowed from the municipal home rule movement. This is illustrated by the fact that, like cities, the counties of some states were given the option of adopting the commission form of government before the manager plan superseded it in popular favor. In practice either plan can confer as little or much home rule as the legislature, checked by the constitution, sees fit to confer.

It seems obvious that New York, under the optional government plan, offers more county home rule than California where the counties are empowered to draft their own charters. To insist upon separating the two methods today is to insist upon a distinction where there is no difference.

Eight states may be considered in the constitutional county home rule category. They are California, Louisiana, Maryland, Montana, New York, Ohio, Texas, and Virginia.

Other states may make any number of improvements in county government optional unhampered by constitutional restrictions. Thus North Carolina counties are permitted to adopt the manager plan, while several variations in structure and the scope of the manager's powers broaden the extent of the choice possible to the voters of the counties.

The Nebraska legislature attempted to grant the power to adopt the manager plan to the counties of that state, but the Supreme Court subsequently held the act unconstitutional. Since one county had acted under the statute, a movement is under way to adopt a constitutional amendment offsetting the effect of the decision.

Wisconsin enacted a law making the commission form of county government optional, but in 1934 the State Supreme Court held the act unconstitutional. In 1937 a constitutional amendment permitting the submission of optional forms of county government was introduced in the state legislature, but it failed to be adopted.

In June 1938 the voters of North Dakota rejected a proposed constitutional amendment which would have permitted counties with populations of less than eight thousand to adopt the manager plan.

In 1937 the Pennsylvania legislature adopted a constitutional amendment permitting the submission of optional county charters. It is pending now in the 1939 legislature before being submitted to the voters for final ratification.

Michigan voted on county home rule in 1934 and 1936, but the amendment was defeated on both occasions.

HOME RULE AMENDMENTS

Activities in the period of 1911 to 1915 put California and Maryland in the vanguard of the states adopting constitutional county home rule. In 1913 Los Angeles County became the first charter county in the United States. It is operating still under the original charter, although at the present time some amendments are under consideration.[1] Maryland in 1915 became the second state to provide for constitutional county home rule. In both cases the constitutional amendments provided that the various counties should draft their own charters. The optional charter idea was not devised and adopted until somewhat later in the county home rule movement. In both California and Maryland the amendments provided that charter drafting bodies were to be elected, in the former case to be known as the board of freeholders and in the latter merely as the charter board. The first was to be a board of fifteen members, but the second a board of only five. In 1936 the California voters approved a further amendment permitting the legislative body of the county to propose new charters as an alternative method to the election of a board of freeholders. The alternative applied also to the amending of charters. The second major step provided by each of the amendments in the two states was the submission of the proposed charter to the voters of the county.

In Maryland, if adopted by the voters, the charter automatically went into effect subject only to the constitution and general statutes of the state. The amendment provided that the charter should repeal any local laws in conflict therewith. In California, however, final ratification was made to rest with the state legislature.

In addition to Los Angeles County mentioned above, several other California counties have drafted charters. San Bernardino, Tehoma, Alameda, Butte, San Mateo, and Sacramento Counties have adopted charters, while the voters of Santa Clara, San Luis Obispo, and Kern Counties have rejected proposed charters within the past several years. In Maryland there seems to be no interest in county home rule at the present time.

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[1] Los Angeles has recently adopted by ordinance a modified county manager plan. See page 128 this issue.—Ed.

The voters of Louisiana in 1921 approved an amendment permitting optional plans of parochial government, and in the following year Montana adopted a constitutional amendment that provided, "The legislative assembly may, by general or special law, provide any plan, kind, manner, or form of municipal government for counties . . . provided, however, that no form of government permitted in this section shall be adopted or discontinued until after it is submitted to the qualified electors in the territory affected and by them approved." In 1937 Gallatin County attempted to adopt the manager plan under this provision of the constitution, but the voters defeated the plan by a decisive margin.

No states adopted constitutional county home rule in the period from 1922 to 1928. In the latter year an amendment was added to the constitution of the state of Virginia which followed the example of Montana in regard to brevity of statement. The provision stated simply that the legislature could provide complete forms of county organization and government different from that provided for elsewhere in the constitution.

In conformity with the recommendations of a special county government committee, the legislature in 1932 passed an optional county government act. The major difference in the two plans presented by the statute was that in one plan the appointive chief executive selected his subordinates, while in the second plan the legislative body of the county made all appointments. Two counties of the state's one hundred, Albemarle and Henrico, have adopted charters under the optional charter law, and in five other counties proposed charters have been defeated at the polls. A third county, Arlington, has adopted a charter under a special act of the legislature.

Ohio and Texas were added to the county home rule states in 1933. The constitutional amendments in both states provided that the counties should frame their own charters, but such severe limitations were placed on them that in neither state has any county been able to adopt a charter under the constitutional provisions.

The Ohio constitutional amendment stated that the legislature might provide also for alternative forms of government. Although a bill providing four alternative plans was introduced in the 1935 session of the legislature, and one providing five plans in the 1938 legislature, neither bill became law. In the 1939 session of the legislature a bill proposing two optional plans will be presented.

The major difficulty, however, arises in the following provision of the Ohio constitution: "No charter or amendment vesting any municipal powers in the county shall become effective unless it shall have been approved by a majority of those voting thereon (1) in the county, (2) in the largest municipality, (3) in the county outside such municipality, and (4) in each of a majority of the combined total of municipalities and townships in the county (not including within any township any part of its area lying within a municipality)." The voters of Cuyahoga County, which embraces the city of Cleveland, returned a majority vote for a charter drafted by a local charter commission, but the Supreme Court of the state ruled that the proposed charter would vest municipal powers in the county, and since it had not secured the four-way majority it was declared defeated. In three other counties of the state charters were drafted by local commissions in 1935 and placed on the ballot, but the proposals received a minority of the votes cast in each case.

The Texas constitutional amendment was the only one that incorporated the expression "county home rule" in the amendment itself. It asserted the right of local self-government with the sweeping introduction, "Holding the belief that the highest degree of local self-government which is consistent with the efficient conduct of those affairs by necessity lodged in the nation and the state will prove most responsive to the will of the people, and result to reward their diligence and intelligence by greater economy and efficiency in their local governmental affairs, it is hereby ordained. . . ." After such bold assertions the powers actually granted to counties appear rather timid.

Although counties with populations of 62,000 or more were given the power to draft and adopt their own charters, charters drafted by counties of smaller size required the approval of the state legislature by a two-thirds vote. Consequently only thirteen counties of the 254 in the state now have the power to draft and adopt their own charters. Furthermore, the amendment provided that to be adopted any proposed charter had to secure a majority affirmative vote not only in the whole county but in both incorporated and unincorporated areas counted separately.

Six counties attempted to take advantage of the amendment and called for the election of charter commissions, but only one commission actually drafted and submitted a charter. The charter secured a majority of all the votes cast, but not the two-way majority required.

MAXIMUM HOME RULE IN NEW YORK STATE

New York State generally is cited as the outstanding example of the success of county home rule. A constitutional amendment permitting the legislature to provide alternative forms of government was passed by the legislature in 1934 and 1935, and it was adopted by the people in the latter year. Like the Texas amendment, it too placed additional restrictions on urban counties. It provided that where one-quarter or more of the population of the county was to be found in a single city a proposed county charter had to receive a majority of the votes cast both in such city and in the area outside of it.

Before popular ratification of the constitutional amendment in November 1935, the legislature had enacted an optional county government law, under which Monroe County, which includes the city of Rochester, adopted the county manager form.

The optional county government law enacted by the 1935 legislature provided for two alternative forms of government, but the 1936 legislature, acting under the new amendment, passed a statute that provided five more alternatives. Due to criticisms from various quarters that the 1936 law was still too restrictive and unable to choose between two bills before them, the 1937 legislature passed both, one providing four alternative plans of county government and the other providing five.

Thus by enumeration sixteen basic plans were presented to the counties. The number of options permitted, however, was really much larger. In each of the three laws enacted after the adoption of the amendment, the last option was in reality an omnibus plan whereby a county could draft a charter incorporating any number of features found elsewhere in the law. Minds of a mathematical bent have calculated that the number of optional plans now possible nears the thousand mark.

No county in the state has adopted a charter under any of the three laws passed to implement the county home rule amendment. The voters of Erie County (Buffalo) and Schenectady County defeated proposed charters in November 1937. Adding another element of confusion Westchester and Nassau Counties drafted charters and secured their passage by the legislature as further optional forms. In both counties the charters were adopted by the people and are now in operation.

CONTINUATION OF HOME RULE

It appears that the advocates of county home rule have no reason to lose faith in their cause. Progress always has been slow, but it is important to note that some progress has been made. The county home rule movement identifies itself very closely with the county manager plan and city-county consolidations, and success or failure in the latter movements probably will determine the success or failure of the former. There are more practical difficulties in reconciling home rule with the movement for the consolidation of counties, but since

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County Consolidation by Indirection

By PAUL W. WAGER
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If democracy is to be strengthened local governments cannot abdicate. Transfers and consolidations must not become a surrender but a step toward a governmental structure in conformity with the times.

THE fact that after twenty years of agitation there have been only two instances of county consolidation strongly suggests that little may be expected in that direction. Tradition, politics, and vested interests combined form a powerful resistance. Moreover, it must be admitted that consolidation would not in every case correct present deficiencies. There are many instances where consolidation of a poor rural county with a strong, wealthy neighbor would have an invigorating effect on the poorer area without any enervating effect on the more robust member of the partnership. On the other hand, the consolidation of two weak counties, neither of which had a strong trade center, would not produce a healthy county. It might ease the financial burden slightly but it would not produce an ideal political unit.

The objective in county consolidation is not a minimum area or a minimum population, though either might be an element of strength. The objective is a balanced political unit, with mixed resources and with a population embracing a plurality of interests and occupations. In other words, a vigorous political unit needs to be an organism not merely a certain magnitude of area and population.

There would be a better chance of achieving this in a maximum number of cases by obliterating all existing county boundaries and recasting a state into new and fewer counties around those towns which are the centers of economic and social activity than by consolidating present counties. But it is idle to believe or hope that this will happen. It would upset every existing political machine and all the careful gerrymandering of a generation. Therefore, since there is little prospect of success in either consolidating counties or redrawing county lines, the reconstruction of areas is most likely to be accomplished by indirection.

NEW DISTRICTS FOR STATE ADMINISTRATION

Two trends already in evidence may prove useful vehicles by which to achieve the desired structure. The first is the steady transfer of functions from the township to the county or from the county to the state. This is illustrated by the transfer of road administration and support from the township to the county as in Michigan and Pennsylvania, and from the county to the state as in Virginia, West Virginia, and North Carolina. Similar transfers are being made in the fields of public health, public welfare, and crime control. Larger state grants for schools and libraries are steps in the same direction.

Whenever the state assumes the administration of a new function it usually finds it convenient to set up administrative districts. These may embrace three, four, or a half dozen whole counties, though sometimes the district lines divide counties. For health administration New Mexico's thirty-one counties are grouped into ten districts, for school administration Nevada's seventeen counties into five districts, for road administration North Carolina's one hundred counties into about thirty districts. In Virginia district homes serve eight or ten counties.

Thus, for the administration of a single function, units larger than a county are being set up in numerous states. The district office is likely to be located at the largest and most central county seat. To this office the citizens from the entire district are beginning to wear a path.

FUNCTIONAL CONSOLIDATION

The second trend is functional consolidation, which is nothing more than coöperation of two or more existing units of government in the performance of particular functions. This sometimes takes the form of joint performance of the common functions by the two or more units concerned; in other instances it takes the form of a contractual agreement whereby one unit engages to perform services for another. If there is to be joint performance, there is usually, though not necessarily, a special district created.

Authority to enter into either form of coöperation is usually provided in general statutes, although in some instances joint districts have been set up by the legislature for the performance of specific functions. While functional consolidation may be authorized as between any two or more units of local government, the usual practice has been to limit the privilege either to two or more contiguous counties or to a particular county and the cities or other political subdivisions therein.

This degree of consolidation is appealing because it leads to immediate and obvious savings and because it arouses a minimum of antagonism. Probably little antagonism has been aroused because most functional consolidations have been in expanding fields and have thus not affected existing jobs or otherwise disturbed vested interests. As counties shed old functions and adopt new ones, or as the state is districted for the administration of new functions, an excellent opportunity is offered to effect inter-county coöperation and thereby dissolve the intense localism of an earlier era.

ENABLING LEGISLATION WIDESPREAD

The last few years have seen the enactment of much enabling legislation in the interest of functional consolidation. In 1935 an Ohio statute authorized any county to contract with another for the performance of a county function, or to enter into an agreement with the legislative authority of any taxing subdivision to perform any service which the latter is authorized to perform. The law provides that the agreement shall either fix the amount to be paid or prescribe the method for determining the amount.

A California statute of the same year authorizes counties to contract with cities and towns within their borders to perform municipal functions for them. New York's recent home rule amendment allows the boards of supervisors of two or more counties to provide, by agreement, for the joint discharge of one or more governmental functions.

Many states have authorized functional consolidation with respect to the performance of specific services. Thus, Washington has provided that any two or more adjacent counties may maintain a joint tuberculosis sanitorium. Pennsylvania has authorized the consolidation of the poor districts within a county. Fulton County, Georgia, and the city of Atlanta were empowered in 1935 to contract with each other with respect to the operation of a sewage disposal plant.

South Carolina cities, towns, and counties have been authorized to take joint action in the operation of parks, playgrounds, and recreational centers. In New Mexico, ten health districts, consisting of from two to four counties each, have been established with district health officers supplanting county health officials. Similar district health units have been established in Michigan, Indiana, and North Carolina.

Several years ago Virginia began closing its county almshouses and setting up district hospital-homes for the indigent aged, and now old-age assistance is reducing the population of the county homes so greatly in all states that district institutions are being recommended. Most of the county homes have been closed in Alabama, nearly half of them in Georgia, and a number in each of several other states. Four counties in North Carolina recently united in constructing a hospital for their joint use. District jails or prison farms are being considered in Virginia and other states.

Within the last two years legislation has been enacted authorizing the coöperation of counties in the establishment of district welfare departments in Georgia, Michigan, Montana, and Washington. The legislatures of Florida and Utah have authorized joint action by counties in the establishment and maintenance of airports. In 1937 Kansas provided that two or more counties might unite in the support of a county home. The same year West Virginia authorized counties to contract with each other for the institutional care of public charges.

Other functions which local units in various states have been authorized to perform jointly or for each other include: maintenance of libraries, provision of recreational facilities, fire protection, operation of water and electric utilities, soil conservation and flood prevention activities, and the conducting of civil service examinations.

Perhaps the banner achievement in functional consolidation has been in Los Angeles County, California. In 1936 this county, under contract, assessed property and collected taxes for thirty-eight of the county's forty-four cities, performed health functions for thirty-six cities, provided library facilities for twenty-one cities, and performed civil service functions for two cities.

DISTRICT OFFICES WILL CONCENTRATE

These experiments in joint action or functional consolidation indicate a determination to obtain the benefits of larger administrative units or to escape the cost of duplicating services by practical measures. Granted that the gains are partial and piecemeal and that the optimum size administrative unit is not always obtained, the experience is bound to have educational value and to weaken resistance to the principle of consolidation. Granted, too, that the new administrative districts are not now co-extensive, there is a probability that inter-relationships as well as geographic factors will tend to attract the headquarters of two or more agencies to a common center.

Even though the optimum size unit of administration is not the same for all services there will be a tendency to compromise on this point to gain the advantages of a common center. Perhaps the exigencies of housing, office space, mail and telegraph service, and other practical considerations will be an even stronger centripetal force than official affinity. At any rate, those towns which have proved themselves natural centers for trade, banking, publishing, recreation, and other social and economic activities may be expected to become the headquarters for the newer governmental services, such as libraries, hospitals, trade schools, soil conservation, public health, and an ever broader program of public welfare. This will be especially true in the case of services supported in large measure by the federal and state governments.

The courthouses in the stagnating county seats will remain for a time as the political centers and headquarters for the old established services. But as more and more of the affairs of government are transacted at the district center, the lawyers and cafe operators will gravitate to that location, thus deserting the cause for which they have been the loudest champions. Likewise, the younger generation, conducting most of its business at the larger center and observing an increasing share of its taxes going for district services, will find its allegiance to the old county seat weakening.

Functional consolidation therefore offers a device by which weaker counties can gradually shed their functions in very much the same manner as townships are surrendering their functions to the counties. There is no good reason why the old names and boundaries should not remain, just as townships have survived in North Carolina though they have long ceased to have any governmental functions. They are convenient in locating property, they serve very well as election precincts, and they are recognized as minor civil divisions in taking the census. Occasionally a township has been utilized as a consolidated school district.

Likewise, a county which has been incorporated into a larger unit may well preserve its name, traditions, and cultural institutions. Such county seats as are finally abandoned may and should continue to be community centers, the courthouse possibly being transformed into a community building for social and recreational uses. In fact, it is to be hoped that every local community large enough to have a place of assembly will remain or become a forum for the discussion of public questions. But the typical American county is too big to serve as a primary community and too small to be an effective unit of government under modern conditions.

FEWER SEATS OF GOVERNMENT WILL SURVIVE

Since the coming of the automobile rural people have been changing their trading habits and broadening their social contacts. Strategically located towns and cities have been capturing the trade and support of the people within a twenty- or twenty-five mile radius. Small county seats within this radius are losing business and population. The active growing towns are therefore the points at which the administrative offices of federal and state agencies should be established, and also, if possible, the headquarters of joint county services.

By thus establishing an unofficial seat of government at the focal center of a natural trade area, the way is paved for the emergence later of a strong well balanced county. There will continue to be a need for primary centers every few miles to serve the day-by-day needs of the rural population, but more and more the country people are going to the larger centers for trade, entertainment, and professional services.

By larger centers is meant not the big cities or industrial cities, but mainly towns and cities from 5,000 to 25,000 population that are primarily trade centers. Since these are the points of focus in rural America today they are the logical locations for the seats of government.

If democracy is to be strengthened at the grass roots local government cannot abdicate. These present transfers and consolidations of functions must not be permitted to become a surrender, but rather a step toward the erection of a governmental structure more in conformity with the times.

The Financial Aspects of City-County Consolidation

By L. R. CHUBB
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Citizens' group of Atlanta and Fulton County, Georgia, working for adoption of a city-county charter which would place on all citizens equal responsibility for progress.

ESSENTIALLY, city-county consolidation and separation both involve the selection of an area which includes more or less undeveloped land and establishing for it a single unit of local government to render all local services. American experience seems to justify the following conclusions:

(1) If the area selected includes only the territory already urban, or even if as in St. Louis it includes a margin for growth which later proves insufficient, the problem whose solution is sought simply arises again later on a new frontier, with stronger obstacles and enhanced jealousies to overcome.

(2) If the area selected includes an ample margin for all possible growth, much of it must remain rural pending that growth; and as a practical matter either the rural territory must be relieved of some portion of the taxes charged against urban territory in the area, or else if it pays full taxes the consolidated government must try to give it all the services which other taxpayers receive—an attempt which proves financially difficult or ruinous.

(3) The earlier attempts to resolve this dilemma by the adoption of crude tax differentials—notably in Baltimore and Philadelphia—were strikingly unsuccessful and so inequitable that considerable ingenuity has been expended on constructing arguments against all tax differentials whatever. These arguments usually neglect: the practical difficulty of securing city-county consolidation without some provision for tax differentials; the effect of denying them upon the new government's finances if it attempts to furnish services in advance of development or upon community morale if it does not; and finally the fact that, while services rendered in thinly populated areas cost more per unit of service, the central city itself should bear most of this increment of cost to insure orderly and unburdened development on its periphery rather than tell taxpayers there that the money they think they are paying for services they do not get is in reality to pay this increment.

(4) Much the same difficulties of financing are likely to attend functional consolidation or the coöperative performance of particular functions, except that here, unless special ad hoc tax districts are set up with all the complications they involve, the

shoe tends to pinch the other foot: "joint" support is interpreted to mean support from both county and city, and the taxpayers within the latter not only pay their own share as city taxpayers but largely subsidize development in the peripheral suburbs by paying as county taxpayers a major part of the county's share. The intricacies of these financing arrangements increase the difficulty of securing effective coöperation between two units of government jealous of their independence.

(5) It therefore seems worth while to apply our American ingenuity to the problem of working out if possible a system of tax differentials which will bear a closer relation to actual costs and their fair distribution.

ATLANTA AREA AN EXAMPLE

The remainder of this article will be a concrete description of these problems as exemplified in the Atlanta metropolitan area and of the solution tentatively proposed by the recently organized Citizens One Government League.

Some degree of functional consolidation has already taken place in the Atlanta area.[1] The four city hospitals, to which patients from the county outside the city are admitted, received last year $101,650 from county funds and $729,625 from city funds. The county board of public welfare received last year $375,000 from county funds and $221,820 from city funds, although it seems likely that the county will this year assume the entire cost of relief.

The city water department furnishes water, through mains many of which have been constructed by the county on an approximate special assessment basis, to a number of residents outside the city, charging them double the city rate plus a fifty-cent monthly service charge. The city operates the sewage disposal plants for the whole area but receives from the county one-third of the cost of their operation and maintenance.

Several fire stations have been constructed in the county and their personnel is paid by the county but is subject to the direction and discipline of the city fire chief. The city library has several branches outside the city, partially staffed by WPA, and received last year from county funds $7,650 and from city funds $116,560.

It should be noted that city taxpayers pay five-sixths of county taxes, so that the net participation of taxpayers outside the city in the financing of even these consolidated functions is very small in proportion to the benefits received. The city taxpayer "profits" only from the water surcharge, and this is more than offset by the debit balances on the other transactions. Moreover, a number of important functions remain unconsolidated and are performed by the county only outside the city limits, such as street and highway construction and repair, park construction and maintenance, and police and health protection, yet the city taxpayers still pay five-sixths of the cost.

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[1] For a full discussion see *The Governments of Atlanta and Fulton County, Georgia,* Consultant Service of the National Municipal League (1938).

The most striking example is the school situation: Atlanta maintains its own schools, but the county school system, to which city children are ineligible unless tuition is paid, is financed not only by a tax on the county outside the city but also by a tax of one and a half mills inside the city and an annual contribution of $240,000 from county funds (of which five-sixths comes from the city), with the result that city taxpayers pay more than half the local cost of the county school system.

On the other hand, those living outside the city, where some of the best residential areas are located, find themselves excluded from participation in the city's governmental affairs and perpetually having to beg for and worry about the services they receive; most of them do not desire annexation to the city, but they do desire the privileges of full citizenship in the community and are ready to assume its burdens.

To all this add serious inequalities in assessed values as among the various parts of the county (a recent attempt of the county assessors to attain rough equalization without the use of scientific methods was met by a storm of protests), and the basis for the growing local demand that something be done is readily apparent.

The solution proposed by the Citizens One Government Committee contemplates the consolidation of the city and county governments into a new Atlanta governed by a council of nine nominated and elected at large with an appointive executive. Its boundaries are to be those of Fulton County.[2] However, not all the departments of the new government are to function throughout this territory, and some may function outside this territory. The area within which each department of the new government shall function is to be fixed by ordinance of the new council, subject, of course, to proper restrictions to guard against interference with essential institutions such as the courts and against forcing services on an area which does not want them.

TAXES FOR VALUE RECEIVED

The council is thus left free to extend urban services in accordance with need,[3] but any financially ruinous extension is to be controlled by an inescapable requirement that those receiving these services shall pay in taxes their share of the cost in accordance with the assessed valuation of their property. The determination of the cost of each service is also to be controlled by rigidly connecting it up with a modern budget procedure. A budget is after all simply a determination of cost made in advance and fixed as a maximum limit on expenditures, and it is to be used as the basis of fixing the tax levy for each department.

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[2] That portion of Atlanta which is in De Kalb County is to be given entire freedom either to become an integral part of the new Atlanta or to receive from it at cost any, all, or none of its services, and the eight smaller incorporated places in Fulton County are also to be free to retain their independence if they desire, receiving whatever services they desire from their own governments and the remainder (including, of course, those of the courts) at cost from the new government.

[3] Fulton County has an area of 548 square miles, of which 26 square miles is in Atlanta; latest estimates place the county's population at 415,000 (265,000 in Atlanta and 150,000 outside).

The cost of each line department is to include not only its anticipated current expenditures but also debt service on indebtedness incurred for its purposes, and its share (on the basis of the ratio of its anticipated current expenditures to those of all line departments) of anticipated general overhead and staff department expense, less its share (on the same basis) of the income of the new government from all sources except ad valorem taxation.

Transfers of appropriation and the disposition of unexpended balances of appropriation are also to be controlled to guard against unfair manipulation. All ad valorem taxes against the same parcel are of course to be spread and collected together.

Although only very recently proposed, the plan outlined above has already gained considerable support and stands a fair chance of adoption. The One Government League is attempting to induce the legislature to pass an enabling constitutional amendment, to be submitted to the people next June, providing for a local charter commission to work out the details in a charter for submission to the local electorate.

Its adherents point out that this plan would sweep away the present divided responsibility for and overlapping of functions and the present serious inequalities in their financing; would establish instead a system of financing which would be and would remain both fair and flexible; and would emphasize the unity of the Atlanta area and impose upon all its citizens full and equal responsibility for its progress.

State Control of County Finance Increases

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Limitation of debt and tax rates, supervision over budgets and accounting, state-administered, locally shared taxes, grants-in-aid — all take their toll of county independence.

THE American county stands between the state and the smaller political subdivisions in the modern system of state-local relationships. On the one side it acts as an administrative unit of the state; on the other it is absorbing a number of the functions that were more recently in the hands of townships and municipal corporations.

It is at once the administrative agency through which the state decentralizes some of its governmental functions and that unit of local government that stands as a bulwark between local self-governing institutions in the trend towards state centralization.

It is not a true administrative unit of the state because it has constitutional status. Furthermore, its important officers are elected by the people and not appointed by the officers of the state. County officers consider themselves not as state officers and are generally found in the ranks of home rule advocates.

The county is the most important unit of local government, at least outside of the metropolitan areas where large city organizations dominate the governmental scene. It is tragic, therefore, that the structure, organization, and administrative techniques of the great majority of counties in the United States appear to be so hopelessly antiquated today and unable to cope adequately with their modern duties and possibilities. Never has it been more necessary to have a local unit of government with the broad scope of power which the average county has and the large area which it usually covers implemented so as to stabilize the increasing flux found in state-local relationships.

Because the county is outmoded, and not because it is too small a unit of government, many functions once in its hands and rightfully belonging to the county have been taken into the bosom of an active and positive-minded state. For the same reason many of the newer functions have remained with the state with the result that special administrative districts have been formed in real, though not legal, competition with the county.

Again, because the internal arrangements of the county are decentralized and without administrative competence, the smaller units have kept many functions which they cannot handle economically and effectively and which, under more favorable conditions in the county, would have devolved upon it. In a word, the American county is losing many opportunities to preserve the principle and practice of home rule and local government.

Gradually there has developed a system of state supervision over county functions, and this is greatly in evidence in the field of finance. While discussing state-county fiscal relations, it is well to remember that from the angle of the state such relationships take on a tripartite division, namely, legislative, judicial, and administrative.

One does not need to say here, however, that from the legislative viewpoint the county like other local units is a creature of the state, subject in every particular to the state legislature except where it is inhibited by constitutional provisions, and that the statutes are ultimately interpreted by the courts. Neither do the growing methods of administrative control need to be recounted here. We would like, however, to sketch briefly the subjects embraced in the field of county-state fiscal interactions.

DEBT LIMITATIONS

In the first place, the state has generally limited the financial powers of the county in the conduct of its own affairs. It may be said that these powers were once held by the county without many restrictions. One of these limitations is in incurring debt, the common means being by limiting the debt to a certain percentage of the assessed valuation of taxable property.

Likewise, many states limit county tax rates to a certain number of mills. This limitation has been most keenly felt in those states in which an over-all tax limit has been established. Homestead exemption, also, has severely restricted the taxing power of the counties.

Both debt and tax limitations have been the result of an effort to preserve real estate, that fundamental base of local taxation, from the ravages of unbridled spending and expanding on the part of local units. It is, therefore, somewhat surprising to see recent attempts to unshackle the borrowing powers of local units by means of municipal authorities, special districts, and exemption of revenue-producing public works from the debt limits previously imposed.

Then, too, the county is guided by statutory directions in the imposition of other forms of taxation, license fees, and other revenue-producing activities.

Where the state shares with the county and other local units the proceeds of a general property tax, assessed and collected by the county, it has required equalization of assessments as between counties through the offices of a state equalization board or tax commission. This crude attempt at guiding methods of assessment in the county has been motivated mostly by the fear that counties would pay inequitable proportions of the state's share of the tax.

The famous Indiana plan goes further in limiting the financial power of local units than any other design in that it allows the state commission the right to pass upon the local tax rates and bond issues. Any case can be brought to the attention of this commission by a petition of ten dissatisfied taxpayers, and the commission then has power to act. A number of states have adopted this plan with modifications and additions.

MANDATORY EXPENDITURES

The power of county officers to expend money for county purposes is severely shackled by statutory provisions. Studies in several states have shown that a large portion of items in the budget are mandatory and are to be expended without discretion on the part of county officers. These items include salaries of officers and employees, payment of mileage, payment of fees and costs, payment of maintenance of county charges for inmates to penal and charitable institutions, and other similar items.

In addition to such that are mandatory in character and amount there are those mandatory in character but optional in amount. At the beginning of the depression, when many irate taxpayers stormed county seats for tax relief, it was very difficult for them to realize that the county commissioners were often powerless to reduce a great share of the expenditures and thereby bring down the millage. It was the county officers, however, who bore the brunt of the taxpayers' attack; the local citizenry did not realize the state legislative responsibility.

A second and allied field of limitation on the part of the state over the county is financial procedure. While the limitations on financial powers of the county were largely statutory in character with the minimum of administrative control, this growing field of control is activated largely by state administrative agencies.

A number of states require counties to draw up budgets at the beginning of the fiscal year for the administration of their financial program. In a number of states administrative departments prescribe the form of these budgets and implement this legislation with a corps of investigators or advisors who travel from county to county to aid county officers in this business. The power of the state over county budgets ranges from advice to control with penalties.

This same procedure applies to accounting, the keeping of records, and reporting. In the field of county assessments of taxable property, boards of equalization or tax commissions have been instructed by law in many states to aid counties in developing more standardized and acceptable methods of assessment procedure. In a few cases state administrative aid has also been extended to the field of centralized purchasing. Gradually the idea is progressing that the state is the logical agency to standardize and improve the financial process and procedure of all local units.

The state and the county fiscally interact also where the county acts for the state as a tax collection agency. During the nineteenth century a large share of state taxes was collected by county officers, who received a fee or commission for their services. This situation still obtains where inheritance taxes, mercantile taxes, personal property taxes, dog, fish, game, and other such license fees are collected by county officers and turned over to the state. Many of these commissions have made the county offices to which they accrued juicy, political plums.

TAX COLLECTIONS

Recently many states, through newly created and centralized departments of revenue or finance, have been made the agencies to collect such taxes by virtue of their claim to efficiency and economy in collection over that of the county officers. In addition to such cases, the county often acts as a base of operation for state-appointed tax collection officers, but it is noteworthy that whenever the state gains the right to collect such taxes, it generally develops its own administrative collection districts and does not operate with the county.

Of increasing importance to county financial programs is the state administered—locally shared tax. The chief sources of such revenue are the gasoline tax, motor license fees, and the sales tax. In addition there is sharing by the states with the local units in some instances of liquor, income, inheritance, public utilities, excise, and a number of other such taxes. The primary reasons for such an arrangement are that the state can more adequately collect these taxes, and the recognition that counties and other local units need a part of such revenue.

Many such returns are earmarked by law to be spent for particular purposes. It is usual that the returns of the gasoline tax are designated for road purposes. Outside of the statutory provisions there is usually little effort on the part of the state to exercise administrative control in the spending of such funds.

Where the return is made in whole to the county with a view that the county will share part of its return with the other local units, a good deal of confusion results in the redistribution. The county is usually not anxious to pass a part of its share down the line. County officers, faced with increased demands for services, are anxious to share as much as possible in such taxes. If there is any merit to the principle that the power of administration should not necessarily reside in the unit which originally collects the tax, then this system is worthy of continuance and expansion. It does encourage local autonomy and home rule.

In Pennsylvania where one-half cent of the gasoline tax is returned to counties and the county commissioners are given power to redistribute this return to townships, cities, and boroughs, the results have not been very helpful to the smaller units. This, in spite of the fact that the county in Pennsylvania is no longer a road-building agency of any significance. Most county roads have been taken into the state highway system. The counties claim, however, that during the booming twenties they built a great number of hard roads and built up a terrific highway debt. The state took over such highways after they were built, leaving the counties to pay the debt charges, and in most cases the gasoline tax returns are used for debt service. It is often well to realize, when the argument is raised that the state has taken over county highways into the state system, that the debt still remains as a county obligation, and the state is not so much of a good Samaritan as may appear on the surface.

GRANTS-IN-AID

The grant-in-aid is still a more refined way of aiding the county. By grants-in-aid for particular purposes the state not only recognizes its responsibility in the particular function involved but usually makes grants with provisions of control attached thereto. Such grants may be made for the purpose of encouraging the development of a particular line of administration, the provision of better methods of administration, and the standardization of procedure and action throughout the state.

A modern tendency to relieve the county of financial burdens has been the taking over of certain functions, either in part or in whole, by the state. This has especially been noticeable in highways and relief. In most cases the relief offered by such procedure has not always had direct and ready counter-relief to citizens in tax millage, primarily because there are always a number of functions waiting to be undertaken or expanded in all levels of government, and the county is no exception to pressure for added services to its constituency.

In evaluating these tendencies in fiscal relations between county and state, it should be done primarily from the viewpoint of looking for a more stable relationship in this and allied fields of inter-level governmental activity. It would seem that the time has come when we should be able to look for an end of experimentation and a beginning of permanency in this field. County officers are continually crying the blues on the ground that every year sees changes in their powers and procedures, and there is some reason for their inability to settle down to real work because of this condition of affairs.

Furthermore, there do not appear on the horizon any immediate fundamental changes in our economic life that would further confuse the functions of governments. We now know fairly well the requirements of motor vehicular transportation, of relief, of education. It is fairly well settled that the county will not be a factor in the regulation of economic institutions. What new functions it may develop in the fields of planning, of recreation, and others emanating from the police power of the state, it will be comparatively easy to integrate into its system of administration. Therefore, the order of the day should be toward stability.

It will be impossible, however, to go far in the direction of such a goal as long as the legislature uses hit-and-miss methods in enacting laws relating to the counties and other local units. It is necessary to have in every state a commission to study and to recommend legislation of this nature, and each such commission should have members representing the different local units of government. Such agencies have paid dividends in states where they exist now.

MODERNIZATION NEEDED

The greatest service that the state can do for the counties is to modernize its structure and administrative organization. The long row of elective officers must go. The county commission and the controller should be raised to preëminent positions in the administration of county affairs. It should also be possible to have the voters of each county decide whether or not they would like to have a county manager appointed by the commission and subject to its policy. Once these things were done, there would be a great surge of improvement in technique, and many of the dangers to home rule would be circumvented.

But if the state is to take an increasing share in the control of the county, its control should be largely concerned with procedure rather than with content of activity. Even in this field most of the state administrations need a good deal of polishing and modernizing themselves before they deserve these powers. At present, it is mostly the game of the pot calling the kettle black. If the county needs improved financial and personnel methods, so does the state. If county officers appear unable to make much headway in planning, state officers have the same difficulties, only on a larger scale.

As far as state aid is concerned, there is nothing inherently wrong in the system of state administered—locally shared taxes as long as the legislative foundation is based upon the logic of need and interest of the different levels of government. The state's responsibility should end when it is certain that the money is spent for the purposes for which it is intended. The grant-in-aid, while a more effective weapon for an active state, has inherent elements that can lead to a continuation of the confusion now reigning. It must continually be remembered that responsibility for carrying out the dictates of legislation does not necessarily lie more effectually in the state than in the local units.

National Land-Use Programs and the Local Governments

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Opportunities for strengthening of local governments in rural areas seen in regulation of land use by federal government.

THROUGHOUT the course of our history, problems incident to the area of national-state relations have dominated our political life and have commanded the attention of students of government; but it is only in recent years that national-local relations have developed into an area for special consideration. National-state relations stem from forces older than the constitution by which they are protected; national-local relations emerge nearly 150 years later and from roots as deep, though under less formal auspices. Land utilization is an aspect, if not the heart, of this development.

Until very recent years the land policies of the United States were limited to public lands and were based upon the assumption that the quickest way to assure the best use of the public domain was to transfer it to private ownership. These policies were also nourished by the prevailing concepts of fee-simple absolute in property and laissez faire in government. They continued to thrive so long as the deep natural forces and the new economic forces with which they were at odds could be ignored.

Far-sighted thinkers have long warned of these forces, but only when face to face with the dire consequences of failing to heed them could any extensive revision in thinking and action be effected. Major John Powell in his report on the arid lands, submitted to Congress in 1879, declared the need for drastic revisions in our homestead laws for the low rainfall area of the southwest and included suggested legislation, the adoption of which at that time would have so altered the use of that land as to obviate the necessity for many of the present governmental programs there.

He recommended a special pattern of land use with homesteads of 2,560 acres instead of the 160 acres authorized by law. While 160-acre homesteads were adequate for the moist Mississippi valley, the area the law was drawn to fit, they caused hardship to people and land in the arid regions. It was not until 1904, however, that the Kinkaid Act permitted homesteads of 640 acres, and then only in the sand hills of Nebraska; and not until 1909 that 320-acre homesteads became the rule for any large area.

In 1893 Frederick Jackson Turner called attention to the significance of our closed frontier in the life of the nation. He indicated the need for adjustments in our economic and political life as the reality of this closed frontier was felt by an increasing population. Franklyn Hiram King, C. T. Chamberlin, and Charles R. Van Hise are among others who realized the need for adjustments in land utilization.

CONSERVATION LIMITED

The first real assault upon the outmoded land policies was the conservation movement, which gathered strength in the nineties and reached a peak at the Conference of Governors of 1908. Both the strength and the weakness of this movement resulted from its limitation to public lands. Conservation was conceived to be a function exclusively to be performed by government on the property already in its possession or which might in the future be purchased by it.

Conservation of soil and water resources on private lands could be effected, it was believed, through education. If the farmer could be given methods of conservation which would net him increased, though deferred, returns, he would certainly accept them. Indeed, Van Hise, in 1910, thought it futile to attempt public regulation of private lands until the farmer could be controlled, in part at least, by public sentiment. "Knowledge," he said, "must be carried out to him before such control can become effective. With knowledge will come a sense of responsibility. Whenever knowledge and public opinion have sufficiently developed, laws may be enacted to restrain the reckless and lazy."[1]

Resistance to change was so stubborn that had the conservation movement pointed to regulation of private lands it may be doubted that it would have succeeded at all. Private interests were then powerful enough materially to hamper conservation programs, even on public lands. The Public Lands Commission, for example, reported in 1904[2] on the overgrazed and serious condition of the range resulting from its uncontrolled use. The prevailing situation, however, was favorable to politically powerful cattle interests and, due in part at least to their pressure, no action was taken.

The conservation movement, then, confined itself primarily to nonagricultural lands and encouraged public ownership as the remedy for misuse. And yet this program was the outstanding development in the land policy of the United States until 1933.

Perhaps the most important contribution of the conservation movement was the establishment of a national consciousness of, and interest in, natural resources problems. It inspired at separate sources various streams of interest in the problems of a national land policy and helped prepare the soil for the vast new programs of recent years.

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[1] Charles R. Van Hise, *The Conservation of Natural Resources in the United States*, p. 354.

[2] *Soils and Men*, Yearbook of Agriculture (1938), p. 114.

Now, the national land policy of today represents a confluence of many of those streams. All have not yet joined, but their unification proceeds apace. Forces more powerful than transitory interests or concepts dictated this event and, of greatest importance, focused it upon the private agricultural lands of the nation.

Forces of early origin finally appeared in unmistakable terms. Meteorological records, crop failures, and dust storms demonstrated that the Great Plains is an area with an average rainfall below twenty inches and that the year optimistically referred to as one of normal rainfall is the exception rather than the rule. The gradual but steady increase in farm tenancy demonstrated the reality of the closed frontier and challenged the notion of unlimited opportunities. The piling up of vast surpluses revealed the fallacy of a perpetually favorable trade balance and gave a glimpse of the declining rate in the increase of our population.

These forces were older than, but given dramatic impetus by, the adjustments during and after the World War. Gradually there spread the realization that classical concepts of private property were of doubtful validity; that value was affected by international markets, price systems, and conflicts against which the individual was helpless. The farmer had lost control of his farm and he, the land, and the general welfare suffered. And there on the farm, in order to restore or supplement this lost control, while at the same time protecting the interest of the general welfare, the new land-use programs of the national government converged and intermeshed.

FEDERAL-LOCAL RELATIONS

What we have, then, is a series of programs with lines of action running from the national government to the farms and farmers of the nation. These lines in many instances are direct. That is, they devolve through agencies of the national government — regional, state, and local — right to the individual farmer. They do not cut off at state levels to be promulgated further from there. These are the programs which give prominence to national-local, as distinguished from national-state, relations.

It isn't that the states have been ignored in the administration of these programs; indeed, they are invariably requested to participate in policy, research, planning, and action. What is new is that the Congress has placed the responsibility for each activity in a national department or independent establishment and has not authorized the delegation of that responsibility.

As these programs reach the individual, they very materially affect the use or manner of use to which he puts his farm. He is not, of course, coerced into complying with national regulations, but he can find ample reason for participation. Under the AAA program, for example, an acreage allotment of soil-depleting crops is set for every farm in the country. Compliance with such allotment is the basis for benefit payments and other advantages which definitely encourage conformance.

Under the same program payments are made on the basis of soil-building practices adopted by the farmer to achieve a goal set for his farm. Some of these farmers have entered into agreements with the Soil Conservation Service where, in order to organize soil conservation demonstration areas, the service has offered material advantages in return for labor, materials, and revised farming practices. Similar agreements have been or may be consummated between the Soil Conservation Service or other national agencies and soil conservation districts.

Title III of the Bankhead-Jones Act of 1937 authorizes the purchase by the national government of submarginal lands in order to insure better land use in depressed areas. Control over other millions of acres has been or may be acquired through purchase and easements by the Forest Service, the National Park Service, the Indian Service, and the Bureau of Biological Survey.

The administration of public lands has been extended or redirected so as to bring within a sphere of influence, if not control, the private lands adjacent to, and dependent upon, the public lands. One of the rules for the administration of the Taylor Grazing Act, for example, states that "grazing districts will be administered for the conservation of the public domain and as far as compatible therewith to promote the proper use of the privately controlled lands and waters dependent upon it."[3] The Forest Service has prosecuted a comparable policy for many years and is becoming increasingly vigorous.

CONTROL OVER PRIVATE LANDS

Two recent programs directed toward the use and flow of water authorize action on private lands. The Pope-Jones Water Facilities Act provides for direct aid to individual farmers and ranchers in the development of facilities for water on private lands. The flood-control program, in order to protect the investments in engineering flood-control structures, includes measures directed to the control of flood flows and the stabilization of soils upstream. Then there are the efforts to improve the status of the "lower third" of the farm population through rural rehabilitation, resettlement projects, and aiding farm tenants to become farm owners, all of which give guidance or direction to private land use.

But these are not all. The authorized shelterbelt and farm-forestry programs also directly influence private land use, while rural electrification, farm credit, reconstruction finance, reclamation, and public roads have material, though indirect, effects upon farms and whole rural areas.

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[3] *The Federal Range Code,* section 1, par. *a.*

The very number and extent of these programs, reaching across state and local boundaries to the individual farm, indicate the importance of national-local relations in the field of land use. The devices, apart from the individual agreements already mentioned, especially developed for the local administration of these programs give greater emphasis to the subject.

One of the most unique and important developments in modern society is to be found in the efforts to democratize the administration of these vast action programs. The activities of the Agricultural Adjustment Administration, for example, are being administered largely through community and county committees of farmers who have been elected by farmers. These committees have the power to allocate acreage allotments, to determine soil-building goals for the farms, and to participate in the formulation and direction of many other activities. Appeals from these committee determinations are to be taken to special review committees, again composed of farmers, though appointed by the Secretary of Agriculture rather than elected.

COUNTY COMMITTEES

Tenant purchase committees, rural rehabilitation committees, and debt adjustment committees also appear on the county level for participation in those respective programs. Under the Taylor Grazing Act we find district advisory boards again composed of and elected by the members of local interest groups. Other ancillary programs become operative only after a favorable vote by the members of particular commodity groups, while some devolve to specially organized coöperatives.

Not only do these techniques permit the individual real opportunities to make himself heard where his interests are affected, but he is asked to share administrative responsibilities. Naturally he becomes more closely attached to the national government.

Other programs have created or stimulated the creation of new geographic entities. Resettlement projects have produced whole communities to be administered by the national government or to become incorporated as new governmental units. The land-utilization program has encouraged—where state law permits—the organization of grazing districts. Coöperative associations have been organized for activities such as wind erosion control. The Soil Conservation Service has stimulated the adoption of permissive state legislation and then the organization of soil conservation districts.

Thus we have seen the emergence of programs affecting the use of private lands. We have seen the appearance of administrative lines running from the national government direct to local people. We have also witnessed the development of real efforts to democratize the administration of programs affecting the economic interests of individual and community. Now, what does all of this hold for local government?

There is much that might concern us here in terms of particular problems. Reduced revenue as a result of shrunken tax rolls and increased costs as a result of newly created governmental units bear study and analysis. Serious consideration must be given to the relation of land use to closely related aspects, such as relief, roads, schools, and parks.

PROGRAMS HELP RESTORE LOCAL CONTROL

The real question, it seems to me, is one of vision. Those who object to the new land-use programs because they dislike what they cost will express themselves with epithets such as regimentation, dictatorship, the sanctity of private property, and a whole host of others, hiding their true purpose behind a quickly assembled defense of local governments. Those who see that what we have is a real effort to restore to the individual some, at least, of that control over his economic destiny which he once had will recognize that these new national-local relations offer a genuine opportunity to strengthen local governments.

In other words, we may well ask ourselves whether national-local relations will constitute an area of collaboration or conflict. Our federal system, as Professor John Gaus recently pointed out, has been conceived by many "as a sort of glorified sectional and partisan prize fight."[4] If that same concept is to dominate these new relations, then we shall have missed the opportunity to make a genuine contribution to democracy. Land-use programs cannot be successfully administered by any single level of government. Without collaboration, therefore, they must fall short of their mark.

Now, collaboration is possible only if the different levels of government can make real contributions to the programs. That means that each must assume and meet the responsibilities which flow to it from the areas, geographic and otherwise, over which it has proper jurisdiction. Where one fails, another must assume the burden.

In recent years we have witnessed a rapid assumption of responsibilities by the national government. This has been dictated by powerful forces. National and international trade and conflict have, like a vacuum, sucked from the individual control of his economic life. Our national government has responded as intervener and arbiter. At the same time, however, we have also seen that, particularly in the field of land use, the national government itself has fostered local participation in its programs.

The assumption by the national government of so much responsibility in the field of land use really gives local governments an opportunity to strengthen their position.

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[4] Address given at meeting of Association of Land Grant Colleges and Universities, Chicago, November 14, 1938.

The problems related to land use have been too vast and complex to be completely solved locally, and the existence of the problems has hampered effective administration of equally important, though less cumbersome, programs. National participation releases and points up local effort.

Legal restrictions as well as rational ideologies have limited action by the national government. At these limits the responsibilities and opportunities of local governments have come into sharper focus. The importance, for example, of realty taxation, zoning, and local services in a complete land-use program has become obvious, and not only are local governments in a better position, but they are now better equipped to administer in these areas. There will be material advances if collaboration develops in the fields already opened up by the national government, but there is much more that is possible, much more to be hoped for.

NEW TECHNIQUES DEVELOPED

At the present time a very important new technique for the furtherance of national-local collaboration is being developed. As new programs and administrative lines reached the farmer and the farm it became apparent that some steps would need be taken in order that they would add up to a positive whole and not cancel each other out. The various land-use programs have been authorized by a whole series of congressional enactments which, upon reaching the soil, reveal inter-relationships not only with each other, but with the whole gamut of farm programs, new and old.

It became obvious, too, that collaboration with existing state and local institutions was essential. Until 1933 farm programs extended out through state extension services, experiment stations, and land-grant colleges and canalized to the farmer through the county agent. While the responsibility for the new programs has been vested in the national government, coöperation from these and other state and local institutions was necessary for ultimate success.

Both the Department of Agriculture, which has the responsibility for many of the new action programs, and the land-grant colleges have been aware of the need for integration and collaboration, and have worked toward a solution. Out of a joint meeting in July 1938,[5] there came an agreement calling, among other things, for the creation of agricultural land-use planning committees in every farm county in the nation.

This does not mean that farmer planning committees are new. For a quarter of a century planning by farmers has helped guide the local activities of the Extension Service. The new committees, however, include administrative officials as well as farmers.

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[5] Joint Statement by the Association of Land Grant Colleges and Universities and the United States Department of Agriculture on Building Agricultural Land Use Programs, July 8, 1938.

The chairman and majority of members will be farmers but, in addition to the county agent, local officials of national programs will be included. Not only does this technique encourage national-local collaboration, but it provides a pattern within which land-use activities may be integrated.

The effect of these committees will be to shift increased responsibility for planning to local people. Participating technicians will render aid in order to assure the uniformity which will permit all local plans to fit into and influence those of the state and nation. At the same time flexibility in the administration of national programs will permit local officials to harmonize them with the county plans. Planning will thus proceed with action. The individual, through his community, will be given the opportunity to influence the formulation of policies affecting important phases of his economic life.

LOCAL GOVERNMENT OPPORTUNITIES

This is a fine start and serves to accent what remains to be done locally. Local governments will perform their greatest role as they reflect the real needs and possibilities of the communities they represent. Citizens and officials alike must see that the meaning of their community grows out of its ecological setting. They must understand the historical adjustments that have influenced their growth, the nature of present relations to local, state, regional, and national economics, and the balance sheet of resources, population trends, incomes, employment, institutions, and services.

They must appraise the ratio of resources to population and the distribution of those resources among the population. They should study the material and cultural contributions they can make to others and their own needs supplied from afar. Then, on the basis of this knowledge and understanding, the local governments may develop programs of action that will efficiently and effectively raise the life of the communities to increasingly higher levels.

Basic research and long-term plans necessary to do this important job may be supplied to local governments by the new agricultural land-use planning committees. In addition to the functions already assigned to them they may profitably be encouraged to address themselves to the whole pattern of local life. They might serve as general-staff agencies for local governments, supplying information and plans to guide the preparation of budgets.

In this broader capacity they should serve as links to all national and all state programs bearing upon local communities. They should work closely with the state planning boards, commissioners of agriculture, and departments of conservation, roads, parks, education, taxation, and state universities, fitting the available resources of these and the national government into well formulated local plans. As local people, equipped with basic knowledge of the areas they represent, they will be in a position to appraise the programs which reach them and, indeed, to guide the formulation of those programs.

At the local level, more than at the national level, carefully conceived, planned, and integrated action is essential if all governmental programs are to attain maximum effectiveness. The new agricultural planning committees may serve this end.

In order to do this there must be a lot of clear thinking and hard work. Political scientists and other students of government are particularly well fitted to give guidance and aid. Not only should they become familiar with he new and important governmental device which these planning committees represent, but hey should contribute through eaching, writing, and actual par-icipation to the furtherance of hese groups as general-staff gencies for complete local plan-ing.

The study of government em-races all those factors in the cological setting of community nd regional life which give ex-ression to local governments. tudents and teachers of government, by addressing themselves to the ecological problems of the region within which they are located, cannot only make real contributions to local governments but can bring their subject into sharper focus on the realities of the problems with which governments must deal.

It will be quickly seen that the forces and problems of a single area will guide the understanding of other areas and of the programs which have been directed on a national scale.

Some of the controls over economic life which were transferred to national and international markets have been restored to individuals and local governments. It will be valuable to protect these gains. But there are other controls yet to be restored and still others which may yet be taken away. Let us hope that local governments will take the initiative in restoring and protecting these, but above all let us hope that students of government, by exploring the essentially regional problems, will point the way and assist in their solution through purely local efforts.

The national government, through its earlier land policies, gave birth to many local governments. Now, through revitalized programs, it can help restore much of what local governments have lost. Here is a real opportunity.

The Patient Lived

Manager plan successfully operates on vestigial county organs, grafts on executive head; Monroe County, New York, an example.

By MIRIAM ROHER
National Municipal League

LIKE an octopus or a centipede, the county is a governmental unit which has to be seen to be believed. Hence a peep-show at one of them may be in order, to illustrate why six counties in the United States have adopted the manager plan, and why several others are trying modified manager and county executive forms.

One day in 1937 an Irish lady burst into the office of Clarence Smith, manager of Monroe County, New York. She marched through the anteroom like a gathering storm and when she reached the desk her plump cheeks were almost apoplectically crimson.

"Young man," she roared, "I've a complaint to make, and it's yourself is goin' to listen to it. Ye've ruined us!" And she thrust her tax bill in his face.

Gray-haired Manager Smith was polite but firm. "Sit down," he said, and she sat, breathing hard.

"Madam," said the county manager, "It's either your budget or the county's. The county never had a budget before—that's why taxes are high now. Thank the Lord for your own budget, so you *can* manage to pay your taxes."

Ten minutes later, the lady rose to go. "Young man," she said forthrightly, "I came here to give you Hell. I guess as long as I'm here, I'll pay my taxes. Do I pay the same place as last year?"

When again she crossed the anteroom she might have been a summer breeze.

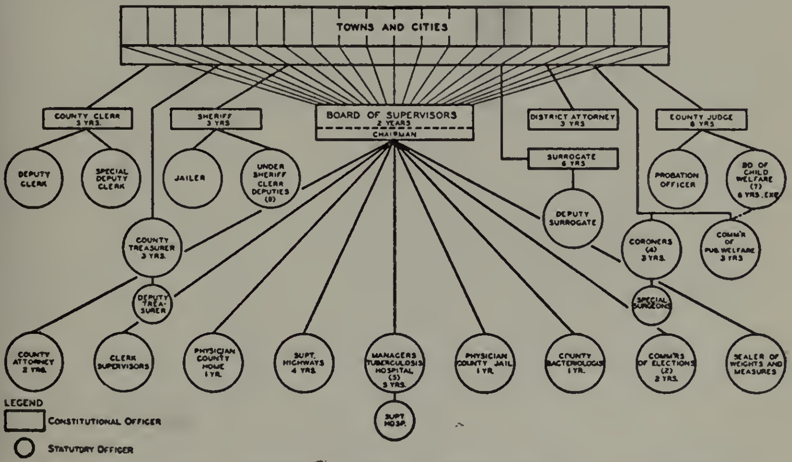
This little fable contains within it a clue to some of the experiences of those American counties which have turned from the palliative aspirin of politics to the curative amputation of a new form of government. Monroe is but one of the latest of the ten-odd counties which have elected to pull together their junketing, thriftless, expensive, ramshackle, outmoded governments (all the adjectives apply) to try the experiment of organization and system which is the manager or executive plan.

Strictly speaking, the manager plan is that form of government in which a small elected council, having complete power of policy formation, chooses a trained manager who has full administrative powers and power to appoint his subordinates. In 474 cities the plan in its pure form has worked well. In these ten or more counties the plan has been more or less diluted, in a bow to the traditional, for counties are commonly weighted down with a plethora of elected semi-independent administrators. Nevertheless, it has still worked amazingly well, so well, in fact, it seems inevitable that eventually the majority of counties in the United States will find it necessary to adopt some variation of the unified executive form.

Six counties are recognized by the International City Managers' Association as having the closest approach to the pure manager form. They are Monroe County, New York; Durham County, North Carolina; Arlington, Henrico, and Albemarle Counties, Virginia;[1] and Sacramento County, California. In Albemarle, however, the manager recommends but the board makes the appointments to office, while in Durham and the others there are some elected administrative officers and the legislative body has some administrative powers.

Typical County Government — New York State

There is considerable variation in the details of county organization in New York State but this chart gives the typical features common to all counties.


TOWNS AND CITIES
COUNTY CLERK 3 YRS.
SHERIFF 3 YRS
BOARD OF SUPERVISORS 2 YEARS
CHAIRMAN
DISTRICT ATTORNEY 3 YRS
COUNTY JUDGE 6 YRS
SURROGATE 6 YRS
DEPUTY CLERK
SPECIAL DEPUTY CLERK
JAILER
UNDER SHERIFF CLERK DEPUTIES (8)
PROBATION OFFICER
BD OF CHILD WELFARE (7) 6 YRS. EXC
DEPUTY SURROGATE
COUNTY TREASURER 3 YRS.
CORONERS (4) 3 YRS.
COMM'R OF PUB. WELFARE 3 YRS
DEPUTY TREASURER
SPECIAL SURGEONS
COUNTY ATTORNEY 2 YRS.
CLERK SUPERVISORS
PHYSICIAN COUNTY HOME 1 YR.
SUPT. HIGHWAYS 4 YRS.
MANAGERS TUBERCULOSIS HOSPITAL (5) 3 YRS.
PHYSICIAN COUNTY JAIL 1 YR.
COUNTY BACTERIOLOGIST 1 YR.
COMM'RS OF ELECTIONS (2) 2 YRS.
SEALER OF WEIGHTS AND MEASURES
SUPT HOSP.
LEGEND
CONSTITUTIONAL OFFICER
STATUTORY OFFICER

New York State Constitutional Convention Committee (Reports, Vol. IV, 1938)

In North Carolina[2] ten counties have been listed, at some time or other, as manager counties, and at the present time six of these designate an official as manager. Others in the state have given county accountants the primary tools of management. Here the accountant may remain as a bookkeeper if he chooses, but through the exertion of pressure and other methods, he may become a virtual executive. The choice is largely his.

Los Angeles County in California[3] is perhaps the most important county which has lately espoused a form similar to that in use in North Carolina.

In other states there has been a trend of late toward the elective county executive form. This corresponds roughly to the strong mayor form of city government and is a considerable step forward from the headless state of most traditionally constituted counties. Latest recruits to this form are

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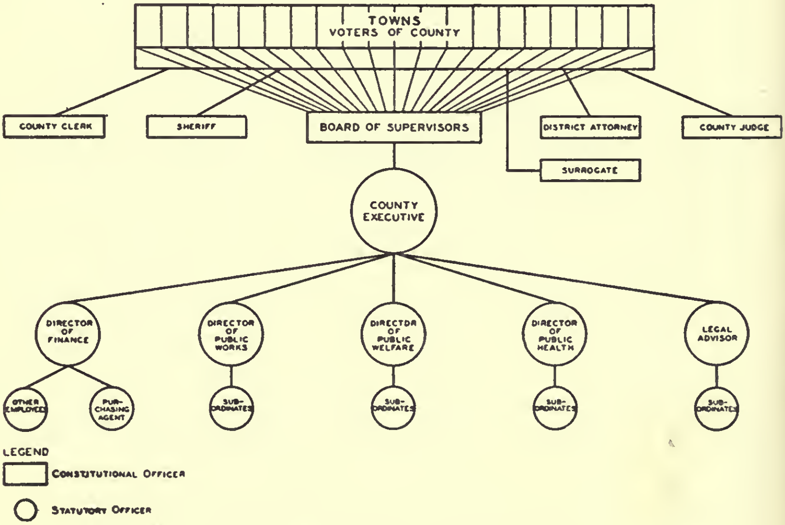
[1] See also NATIONAL MUNICIPAL REVIEW, November 1937, pages 531-537, and March 1938, pages 148-152.

[2] See also NATIONAL MUNICIPAL REVIEW, for November 1937, pages 521-523.

[3] See also page 128, this issue.

Nassau[4] and Westchester[5] Counties in New York, the latter the richest county in the country, both of them among the most populous in the nation. San Mateo County in California, which until January 1st of this year made the seventh of the official manager form counties, has taken a backward step and will henceforth operate with an elected executive.[6]

County Manager Government as Adopted in Monroe County, New York


TOWNS
VOTERS OF COUNTY
COUNTY CLERK
SHERIFF
BOARD OF SUPERVISORS
DISTRICT ATTORNEY
COUNTY JUDGE
SURROGATE
COUNTY EXECUTIVE
DIRECTOR OF FINANCE
DIRECTOR OF PUBLIC WORKS
DIRECTOR OF PUBLIC WELFARE
DIRECTOR OF PUBLIC HEALTH
LEGAL ADVISOR
OTHER EMPLOYEES
PURCHASING AGENT
SUBORDINATES
SUBORDINATES
SUBORDINATES
SUBORDINATES
LEGEND
CONSTITUTIONAL OFFICER
STATUTORY OFFICER

New York State Constitutional Convention Committee (Reports, Vol. IV, 1938)

The connection of all these with the irate lady in Monroe County is not as remote as it seems. For almost invariably county managers and county executives, taking over the neglected reins of county government, have found themselves obliged to pay for the sins of omission and commission of their predecessors. Although no county is ever a typical case, Monroe County is the latest of the six adherents to the purer manager form and its experiences may well shed light on what happens when governmental attics are cleaned out at last.

Monroe County is a governmental unit securely rooted in time. Its seeds are English, prerevolution, and its own particular birth came around the time of the War of 1812. Like the other sixty-one counties in New York State, it was established as a geographical-political unit, a governmental subdivision designed to carry out state functions by the agency of locally-elected officers. As handmaiden of the state, its officers were defined in the state constitution and much of its makeup described therein. When established, Monroe County was a large rural area in upstate New York.

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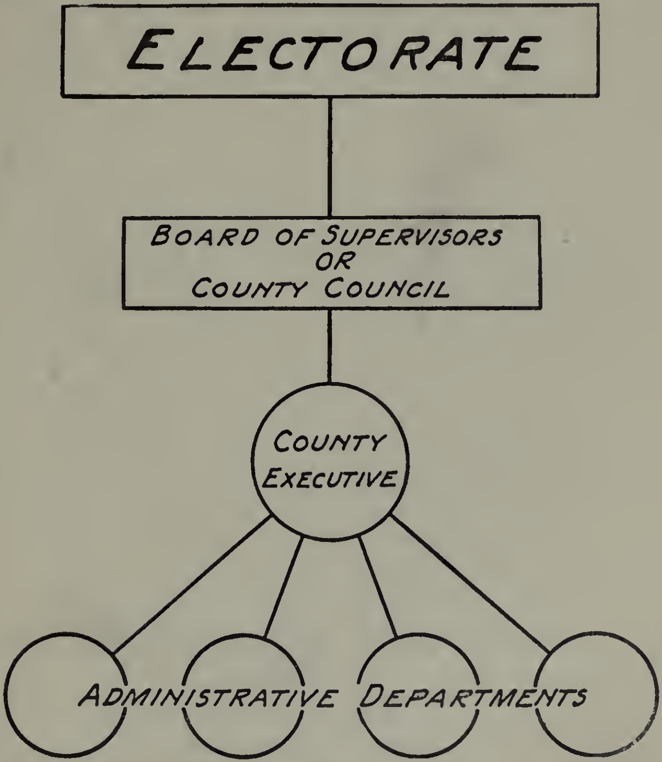
[4] See National Municipal Review, February 1937, page 82.

[5] See National Municipal Review, December 1937, page 603; January 1939, page 62.

[6] See also page 128, this issue.

County Manager Government in Its Best Form

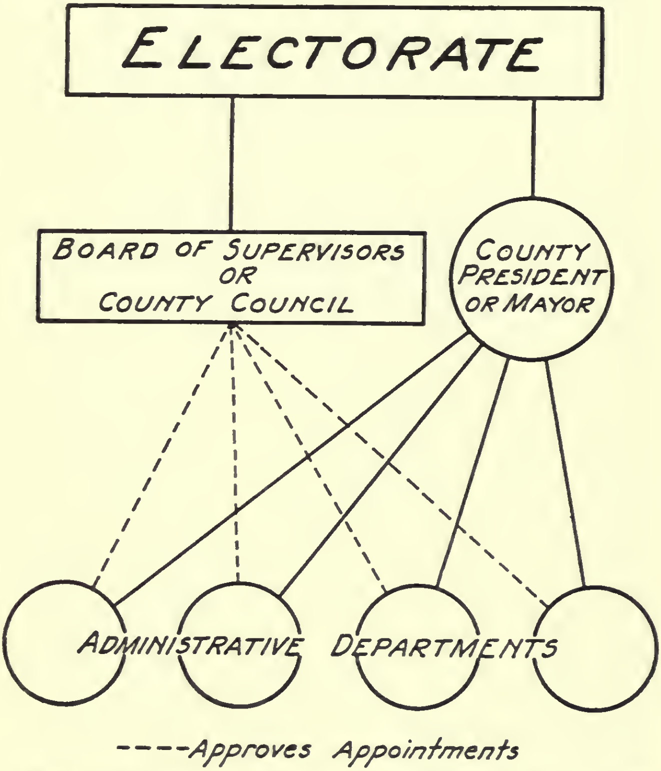

ELECTORATE
BOARD OF SUPERVISORS OR COUNTY COUNCIL
COUNTY EXECUTIVE
ADMINISTRATIVE DEPARTMENTS

New York State Constitutional Convention Committee (Reports, Vol. IV, 1938)

In 1935 the area of Monroe County was substantially the same as in 1825. So was the structure of its government. But times had changed. A mammoth, modern city of almost 350,000 had grown up within it. Around the legal limits of this city of Rochester were satellite communities, towns in legal fact but parts of the city proper by every other token. The rest of the county was still rural, dotted only with several small rural communities.

The requirements of the state constitution and the dead weight of tradition made elective a sheriff, a county treasurer, surrogate, county judge, constables, coroners, purchasing agent, clerk, and forty-three supervisors, the latter acting as legislative organ. It was an assemblage of petty emperors, most of them bound down with political obligations and slowed up by ignorance of the duties of office. The only controls rested with the voters, who could not exercise them because of the utter confusion of the situation.

Elective County Executive Government


ELECTORATE
BOARD OF SUPERVISORS OR COUNTY COUNCIL
COUNTY PRESIDENT OR MAYOR
ADMINISTRATIVE DEPARTMENTS
----Approves Appointments

New York State Constitutional Convention Committee (Reports, Vol. IV, 1938)

In function the county was hardly less confused. It was delinquent tax collector for city, town, and county governments, but relied on the separate towns and the city of Rochester for assessments and collection of the taxes that were not too hard to get. It maintained a number of parks, side by side with city parks. It supervised some relief, side by side with city relief agencies and town relief agencies. It maintained and built some highways, side by side with city and town highway units. It had a few health functions, a few educational functions. It maintained certain correctional and welfare institutions. It was the framework for a system of courts. It had some police functions, side by side with town and city police. It acted as agent for the state in recording deeds and supervising state elections.

The need for, or adequacy of, these services was a matter on which there was little agreement. Certain it was, however, that the profusion of independent bureaus and offices which existed to carry on whatever was done was wasteful, uncoördinated, and uncontrollable — no executive head; no control of spending; the piling up of debt and the piling on of taxes, all to dubious ends. Whatever the need for the county and its functions, it was clear to intelligent observers that until the voters achieved some sort of control over the county and its spending of their money, it was useless to theorize on change. Control over the mechanism as it stood was necessary before it was possible to alter it.

The county manager form promised that control.

The first thing which happened when the people of Monroe County took advantage of Plan B of the optional forms of government offered counties by a 1935 New York State statute was that a number of elective administrative offices were automatically sloughed away—not all. Constitutional exigencies seldom make it possible, in any state, to get rid of all elected county administrators. District attorney, sheriff, surrogate, clerk, and judge are still on the Monroe ballot, and in matters of internal policy this regrettably dilutes the manager's power.

But as long as the manager can tell each officer how much he may spend, the administration cannot get seriously out of control. County employees who remember the good old days of free and easy spending of the public money speak of the new order of things with a kind of amazed wonder. A secretary spoke of having to plan even for the buying of a typewriter ribbon, and exclaimed piously that now "people have the fear of the lord in them!"

By the lord she undoubtedly meant Manager Smith, who stepped up from his previous job of clerk of the Board of Supervisors and county auditor to become the first in the history of Monroe County to have his hands on all the county reins. The state law under which the county operates gave the Board of Supervisors power to appoint a qualified county manager for a term of four years, removable only on written charges and hearing before the board, for stated reasons dealing with unfitness.

MANAGER HOLDS PURSE STRINGS

The manager has the chief administrative power in the county, but his most important weapon is his control over spending. Once a budget is voted by the Board of Supervisors, the manager has power to enforce it.

This is in direct contrast to the old days when the disunited governmental family of Monroe County had been spending at will, each member without reference to the other, and borrowing when the ready cash ran out. Then, when the interest charges grew too burdensome, they borrowed some more to pay those, and so on for many years.

When Manager Smith took over he found that this extravagant family had poor relations as well. In the fabulous boom days, smart subdividers of real estate had bought up for a song vacant farm land in the rural towns within the county. With the encouragement of town officials, who were legally entitled to a fee on special improvement projects, they set up special improvement districts to make these habitable city blocks. Then they sold tidy lots to small people who did not realize that mountains of special assessments would shortly rise on even the most prairie-like holdings. Came the crash, the subdividers absconded with the proceeds of the sale of lots, the new owners found it impossible to pay the taxes for sidewalks, sewers, etc.—and the town found itself with huge blocks of abandoned non-taxpaying properties on its assessment rolls.

But there was still the debt to be paid on the special improvements, and by state law and the so-called Amherst case, the county was responsible! Result: the whole county paid. And the city of Rochester, by virtue of its superior numbers and wealth, shouldered 81 per cent of a debt it had not contracted.

(The incident is not unique. State constitutions and courts commonly make the county the financial goat for the indiscretions of other governmental units.)

ON A CASH BASIS

The county manager regime applied strong medicines to its financial troubles. First was the enforced budgeting described above. Second was a rigorous cash basis policy which has sent the tax rate rocketing. But the manager has estimated that Monroe taxes should start downward by 1941, five years after the heroic cash basis was first instituted. When the time is up, taxpayers will find that they have paid a little more today that they may pay a good deal less tomorrow.

A third financial achievement was the solution of the knotty problem of the debt of the 450 special improvement districts. A bipartisan committee was set up to foreclose these vacant lots in blocks, sell them at bargain prices to individual purchasers, and collect at least something on properties heretofore good for nothing but trouble. Simplified legal procedures not only cut the cost of foreclosure but made these properties actually desirable to buyers, who had heretofore shied away from the prospect of red tape and dubious titles.

By the middle of 1938, after a scant year of operation, the new foreclosure committee had sold 500 of the 28,000 vacant lots, at an average foreclosure cost to the county of only $20, clear title and all. The county collected $32,000 in cash, while the new owners assumed $75,000 worth of indebtedness, promised to build to the extent of at least $817,000, and there was an expectation of a minimum of $19,000 in new taxes.

Not only was there a scaling down of the county debt by this process but the heretofore abandoned property was returned to economic usefulness.

A final, though by no means unimportant, financial achievement under manager auspices has been the budgeting of expected tax delinquencies. No more can spending be planned on the expectation of full coffers, when only partly filled coffers will be available. In 1937 a $1,500,000 item balanced the county budget; in 1938, only $1,300,000.

The county manager plan has not brought complete satisfaction to the political idealists of Rochester and Monroe County. The critics concede the advantages of the new system over the old, praise financial and organizational achievements, and bound off again after the ball of controversy. The county, they cry, is just another government in a wilderness of governments, doing pieces of jobs, taking the leavings, industriously budgeting the rag-tag and bob-tail of governmental function. Why bother?

CITY VS. RURAL DISTRICTS

Not quite so sweeping an indictment, but a bitterer one, comes from the taxpayers of the city of Rochester, who accuse the far less populous rural areas of dominating county government in their own interests. Their complaint has at least partial justification for, with a population ratio of 95,000 to 328,000 respectively, the nineteen towns get nineteen representatives on the Board of Supervisors, while the twenty-four city wards get twenty-four representatives. The towns are also overrepresented intellectually. City folk, seeing the county as an unreal entity associated not with their paved streets but with "cornfields out in the country," mechanically elect machine politicians to represent them. But the townsfolk, whose representatives on the board act also as mayors at home, conceive of the county as a rich uncle who pays the bills and they elect shrewd farmers and property owners who rule the forty-three-member board.

Neither of these criticisms is really a criticism of the manager plan, but rather a request for more of the same. Proportional representation, as yet adopted by no American county although it exists in seven American cities, six of them manager plan cities, could be the answer to Rochester's underrepresentation. It will be remembered that pure manager theory stipulates that the manager plan works best in company with proportional representation.

As for the half-job that the county is given to do, that can hardly be blamed on the manager plan but on time, tradition, and human cussedness. The reason that people in Monroe County are unwilling to do away with unnecessary layers of government is the same reason that so comparatively few counties in the United States have turned to the manager and executive forms. "What was good enough for grandpap is good enough for me," is an age-old stumbling block in the way of change. Fortunately for progress, eventually they do get tired of dragging a bucket to the well. Since the manufacturers of modern kitchen sinks have prospered, there is every reason to hope for the success of rational county governmental reform.

County Manager Government in California

Sacramento and San Mateo Counties tread widely divergent paths in their experiences with home rule manager charters.

By **ROBERT C. HOUSTON**

Los Angeles County Department of Budget and Research

CALIFORNIA reports a success, a promising new experiment, and a failure in county manager government. Sacramento and San Mateo Counties both came under the manager plan in 1933, while Los Angeles County during the past year entered upon a modified plan. There is agitation for the adoption of manager charters in Ventura, San Diego, Butte, and Siskiyou Counties.

Sacramento County went through a peaceful period of transition under its county executive, Charles W. Deterding, Jr. He had been the former county surveyor, and enjoyed a fine reputation as an efficient administrator. That government is now operating smoothly under his administration, and should be recognized as a complete success.

The Los Angeles County Board of Supervisors has recently taken a significant step forward in providing for a chief administrative officer. This provision was originally recommended in the 1935 report of the Committee on Governmental Simplification. It was initiated by ordinance, rather than charter amendment, in order to gain experience, in terms of which future charter provisions may be written.

The creating ordinance established the following duties of the chief administrative officer:

> 1. To exercise administrative supervision and control over all departments, services, institutions, and districts of the county, to coördinate their operations, and to administer, enforce, and carry out the policies, rules, regulations, and ordinances of the Board of Supervisors relating to the administration of county affairs;
> 2. To analyze and make recommendations in connection with departmental budgets;
> 3. To supervise all expenditures and purchases of the county government;
> 4. To coördinate the administration of all county services, through his power to transfer personnel, equipment, and machinery, between departments;
> 5. To approve all purchase orders of $1,000 or more and to approve all contracts for supplies, services, and equipment before presentation to the Board of Supervisors;
> 6. To recommend to the board the creation or abolition of any positions in the county service.

Directly under the supervision of the chief administrative officer are placed all departments except the Civil Service Commission and the elective offices of the sheriff, district attorney, and assessor.

The Board of Supervisors appointed as chief administrative officer Colonel Wayne Allen, who for two years had been county purchasing agent. He took over his new office on September 8th, 1938, and now holds both the position of chief administrative officer and purchasing agent, with a combined annual salary of $10,000.

The new chief administrative officer has drawn about him a personal staff of three technicians, and uses the Department of Budget and Research as a staff agency. The research studies of the latter department are used as a basis upon which to make administrative decisions.

In a comparatively short while Colonel Allen has established himself as a capable, hard-hitting executive. His remarkable record as purchasing agent gained for him the confidence of the Board of Supervisors, and he has carried over and cemented this confidence in his new rôle. His past record and more recent accomplishments lend optimism to the future of manager government in Los Angeles County.

SAN MATEO'S EXPERIENCE

Sacramento and San Mateo Counties set up practically the same administrative organizations in their charters. The extent and manner in which the human equation has entered into San Mateo County's experience with the manager plan, however, lends its history special significance. The theoretical concepts upon which the manager philosophy is established have all come into play. In order that the reader may appreciate the significance which is drawn from the facts in this story, it should be repeated in detail.

The county charter, which went into effect on July 1, 1933, provided for a strongly centralized county executive, with appointive and administrative power over nine offices, five of which had formerly been elective. The administrative organization established by the charter followed the essentials of the plan proposed by the Committee on County Government of the National Municipal League. A member of that committee, Professor Edwin A. Cottrell of Stanford University, was instrumental in having the plan adopted by the Board of Freeholders.

Unfortunately, the politicians into whose hands the charter government was placed for administration did not share the ideals with which the freeholders were imbued. Under the guidance of these officers, the new government went through a period of transition that was characterized by turmoil and litigation.

The charter provided that the county executive should be chosen from a list of applicants certified by a qualification board. On May 27, 1933, that board was ruled unconstitutional by the State Supreme Court. Two days later (thirty-two days before the charter was to go into effect), the Board of Supervisors appointed Walter T. Kellogg, a former district manager for the Pacific Gas and Electric Company, as the first county executive. The circumstances of this appointment were not in keeping with the ideals which had motivated the charter movement, and put the government definitely off on the wrong foot.

Soon after the new government got under way, a taxpayer initiated a suit to test the constitutionality of the charter provisions which consolidated the existing road districts under the central administration of the engineer. After much litigation the charter provision was upheld by the State Supreme Court.

While this case was in the courts, quo warranto proceedings were instituted to test Kellogg's right to his office, on the grounds that he had been in the employ of the P. G. and E. at the time of his appointment—contrary to charter provision. After much bickering in the courts, the case was finally dropped, only to be revived and then dismissed for lack of prior prosecution.

Just twenty-two days after the charter was inaugurated, and while the road district consolidation and quo warranto litigations were in progress, two members of the Board of Supervisors demanded peremptorily that Kellogg resign "for the good of the county." They repeated their demands, but failed to obtain the backing of their colleagues.

Under pressure from the Board of Supervisors, Kellogg preferred charges of insubordination against and suspended his first director of health and welfare just seventy days after that officer took up his duties in the county. After the Board of Supervisors had voted to dismiss the health director, he chose to contest his position, holding that no specific charges of insubordination had been made. To substantiate his position physically, he locked himself up in his office at the county's Community Hospital and remained there continuously for five days. Armed with a restraining order, he left his self-imposed prison. Shortly afterwards, the Superior Court reinstated him, on the grounds that Kellogg had failed to file actual charges of insubordination.

Eleven months later the Board of Supervisors charged the health director with political activity and removed him from office. The courts again reinstated him, on the grounds that the board was without power to remove him. After he had staged another sensational escapade at the Community Hospital and had proved himself temperamentally unbalanced, Kellogg finally preferred formal charges and removed him from office.

MORE APPOINTIVE OFFICES

On January 7, 1935, the five formerly elective offices became appointive under the county executive, bringing the number of appointive offices under him up to nine. On that date, or shortly thereafter, Kellogg removed four of those officers and replaced them with new appointees. Two of the new appointees were forced to fight for their positions, and for twenty-three months there was constant turmoil, in and out of the courts, involving the county executive and his appointees.

The newspapers gave these escapades appropriate front page publicity, for they were sensational. Under these conditions the charter government became the laughing stock not only in the county, but throughout the state. Each glaring headline added to the rising flame of public indignation. The Board of Supervisors and the county executive, who had proven themselves hostile to the charter ideal, plotted their course into the winds of an aroused public opinion, and thereby brought about their own doom. By election time in 1936 the scene was set for a reform movement to gain momentum.

NEW MANAGER APPOINTED

A reform Board of Supervisors was elected, which forthwith notified Kellogg that he would not be reappointed when his four-year term expired. Indicating further their intentions of bringing a reform government to the county, the board on February 23, 1937, designated Ernest A. Rolison their future county executive, and gave him immediate appointment of budget director. He held that position until he became county executive on the following June 2nd.

The choice of Ernest A. Rolison as county executive was entirely in line with the reform movement which started with the election of the new Board of Supervisors. His qualifications and previous experience fitted him admirably for the position. A California state registered civil engineer and a member of the International City Managers' Association, he has filled public managerial positions for a longer total period of time than any other man. He was successively city manager for the California cities of Redding, Santa Barbara, and Redwood City, the county seat of San Mateo County.

County Executive Rolison brought forth the tools of administration which had been anticipated by the freeholders. Upon his request the Board of Supervisors appropriated $5,000 to have a survey made of the county's administrative machinery. This survey resulted in the establishment of a Central Service Bureau, with high-speed tabulating equipment, and designed to be a service-rendering agency with no administrative responsibility. The facilities of the service bureau were utilized for cost accounting and statistical purposes by the Road Department, Community Hospital, Social Service Division, and purchasing agent.

The offices of county executive and purchasing agent were consolidated, and the purchasing procedure was much simplified, eliminating many cumbersome steps. To permit a degree of uniformity in commodity purchases, Rolison established a Committee on Standards. He reduced the rate of mileage payments to county officials using their private automobiles on government business from ten to five cents.

These innovations were all completed within a year after Rolison took office. The scene was ideal and presented a Board of Supervisors with complete confidence in an efficient and capable county executive. During this period the county manager principle became a working ideal, and public-spirited citizens were justified in their belief that they had a well managed model government.

POLITICS ENTER THE PICTURE

Their optimism proved to be premature, however, for another force was at work concurrently that was to undo much of the constructive work that had been done. This force is identified with one Colonel Frederick Peterson, a professional politician, who had never served in a responsible public administrative capacity.

When the Board of Supervisors was considering candidates to select Kellogg's successor, Colonel Peterson was competing for the position. Shortly before Rolison was appointed, Colonel Peterson appeared before the board and demanded that they call a special election for the voters to decide on a charter amendment which would make elective the county executive and the five offices which were elective before the charter. He went further and threatened that if they did not yield to his demands, he would immediately begin to circulate petitions calling for such a special election to amend the charter.

When the board ignored his threats, he proceeded to circulate the petition and soon obtained the necessary quota of signatures.

After some litigation in the courts the special election was finally held on June 22nd. The results were indeed a sad commentary upon the democratic process, for they indicated that the Peterson amendments had won by 1,496 votes. Further, it is significant that only 25 per cent of the registered voters turned out to the polls on election day. In due time the charter amendments were ratified by the state legislature, and thus became organic law.

The Peterson amendments provided that the six elective officials should be chosen at a special election. This election, however, would have fallen within a few months of the 1938 primaries. To save the taxpayers the additional expense of the special election, the Board of Supervisors disregarded the election provisions, deferring the matter until the August primaries.

In the campaign that ensued the contest for the office of county executive was, of course, of principal interest. The only candidates were Mr. Rolison and Colonel Peterson.

Colonel Peterson and his backers disregarded the fundamental issue at stake, whether or not the people should have a real business-like county administration, and confined their activity to propagandizing a negative outlook upon progressive government. They assailed not only the advanced administrative practices which Rolison had initiated, but went beyond and maligned his spotless personal record. The attacks of a newspaper published in San Francisco became so acrid in the heat of the campaign, that Mr. Rolison sued that newspaper for $200,000 in libel damages.

Confronted with the harassing problems of budget-making, Mr. Rolison chose to remain close to his office rather than stump the county on behalf of his election. Most of his campaigning was done by citizen groups, which arose in his behalf.

Election day was indeed a sad occasion for the proponents of real manager government, for the results revealed that Colonel Peterson had defeated County Executive Rolison by 2,776 votes.

Colonel Peterson now has taken office, and presents a second policy-determining agency in the county government. Being responsible to the people, he is forced to think not so much in terms of efficient administration as of policy. When he is not in accord with the legislative body, conflict is bound to ensue.

At the time of writing, County Executive Peterson and the Board of Supervisors have met but once n open session. On that occasion hey came to an open break—over a question of policy! Indeed, the manager plan, which proved itself for one short year, s now absent from the San Mateo County scene.

TO GREATER ACHIEVEMENT IN KALAMAZOO

(Continued from Page 79)

recommendations which would lead to making a good situation better.

It wasn't an easy assignment. In nine cities out of ten municipal consultants can readily find numerous opportunities for improvement. But in a city which for twenty years has had a businesslike manager form of government and which emerges at the top of the heap, the needle becomes smaller and the haystack more impressive. The consultant's report called attention to Kalamazoo's outstanding achievements and endorsed already existing sound practices, which is a good thing to put in the way of a possible backslider of the future.

But there were also a number of recommendations for further improvement, and study of these was begun at once by the city officials. As the *Kalamazoo Gazette* observed editorially, "No one knows better than the people of Kalamazoo themselves that this city is not 100 per cent perfect. . . There is no reason to suppose that all the applause now coming this way will give rise to any attitude of smug self-satisfaction. On the contrary, its effect most assuredly will be to spur Kalamazoo on to still greater achievement."

All of which adds up to something very refreshing, indeed.

Bringing County and Township Up to Date in Michigan

By ARTHUR W. BROMAGE
University of Michigan

Failing in attempts to secure home rule, Michigan counties have turned to piecemeal methods of improvement by way of functional consolidations and transfer of services.

THE defeat of home rule for Michigan's counties in 1934 did not put an end to that state's agitation for the reorganization of local rural government. Progress in county and township government by whatever means achieved is an end well accomplished. If changes in Michigan were not to be brought about by way of home rule, other means—transfer of services, functional consolidations, and increased state administrative supervision—have proved more efficacious. To accept such modifications, whatever the method, as being in the line of progress is the only choice for the realist.

The county home rule issue was first considered seriously in Michigan in 1929, when a constitutional amendment making home rule optional for counties passed the State Senate, only to be defeated by the lower house. Then Governor Brucker appointed a Commission of Inquiry into County, Township, and School District Government, which worked from 1931 to 1933. Among the reports of this commission was the draft of a second county home rule amendment. This, with little alteration, was passed by the Michigan Senate in 1933, but again was rejected in the lower house.

Blocked by repeated defeat in the legislature, the advocates of county home rule decided to reach the public by way of the constitutional initiative. A State Committee on County Reorganization in Michigan was formed to sponsor initiative petitions. Sufficient signatures were obtained to place the proposal of county home rule on the ballot at the general election of 1934. Like the other home rule proposals, this was entirely optional, not binding upon any one county. However, various state-wide organizations urged the electorate to vote "no" on every proposition appearing on the ballot in 1934. Partly because of this, and because of intense rural opposition, county home rule met its third defeat—this time more than three to two—at the hands of the people themselves.

The anticlimax in the whole campaign came when a so-called county home rule amendment was submitted by the legislature to the people in 1936. This, too, was rejected in the popular referendum. Meanwhile, piece-meal changes in county and township administration have been taking place in Michigan.

Functional analysis of governmental needs involves an attempt to determine the optimum area of administration for a specific function. Although people may not need 175,000 separate units of local government, they demand functional services in health, welfare, road, and school administration. The service is the end, and the unit of government should be the appropriate means to that end. If the township or the county are not appropriate means for the performance of a function, then the answer is the transfer of that function.

TOWNSHIP FUNCTIONS TRANSFERRED

County health units and multi-ounty health districts with state id and state-local coöperation re the solution when the townhips are no longer adapted to the upport and administration of ural health work problems. The dvance function by function is ess dramatic than sweeping hange, but it is often more exedient than any scheme to overaul units of government by eneral attack.

In Michigan functional advance as been largely in the fields of ighway and health administraon. In highway administration ichigan carried out from 1931 1936 a transfer of township oads to county management. his bitter pill for vested townip interests was sugar-coated ith an annual state grant for e maintenance and improveent of the township highway ystem. In other words, the state bought and paid for county management of farm-to-market roads.

The state legislature in 1931 called for their transfer to county control by Act No. 130, commonly known as the McNitt Act. On April 1, 1932, each county in accordance with this act took over 20 per cent of the total mileage of township roads and incorporated this proportion into the county road system. On April 1st of the succeeding years, each county took over a like percentage. Thus, during 1936, the last of the township farm-to-market roads were merged in the county system.

The McNitt Act also provided that in the year 1937 the counties should incorporate into their road systems all dedicated streets and alleys in recorded plats and outside of incorporated cities and villages. Due to an amendment passed by the 1937 legislature these subdivision roads were not transferred to the counties until 1938.

Under the legislation of 1931 an appropriation made from the revenues of the state gasoline tax was prorated to the individual counties in direct proportion to each county's percentage of the total mileage of township highways in the state. An appropriation of $2,000,000 was made for the calendar year 1932, and this was increased year by year until it reached $4,000,000 in 1936.

The total mileage of township roads transferred from the townships to the counties from 1932 to 1936 was 62,200 and the total mileage of plat or subdivision roads transferred in 1938 was 15,000.[1] The $4,000,000 annual subsidy for counties now made from the gas tax in accordance with the McNitt Act is a grant-in-aid over and above other grants and state-collected, locally-shared taxes for highway purposes.

The grant-in-aid has played a strategic part in the transfer of the roads. One year after the McNitt Act Michigan voters approved the blanket fifteen-mill limitation on the general property tax. Thus the McNitt law conformed to the popular trend in relieving the general property tax. One of the natural complaints is that the grant-in-aid is not large enough. The relationship between functional costs in selected counties in 1930 and 1931 and the McNitt subsidies in 1937 is shown in the table above.

COMPARISON OF FUNCTIONAL COSTS AND MCNITT PAYMENTS[*]

County	*No. of Twps.*	*Land Area*	*Population per Sq. Mi.*	*Twp. and Village Valuation 1930*	*Functional Costs of Township Highways 1930*	*Functional Costs of Township Highways 1931*	*McNitt Payments 1937*
Antrim	15	475	21.0	$ 6,992,870	$ 48,338	$ 40,307	$ 44,449
Cass	15	493	42.4	18,926,950	76,408	50,418	42,038
Iron	7	1200	17.3	26,551,636	152,168	163,043	28,568
Kent	24	860	279.7	64,582,540	241,339	186,813	77,918
Luce	4	920	7.1	7,000,000	25,757	12,988	16,405
Roscommon	10	538	3.8	3,197,488	10,438	10,584	18,887
Total					554,448	464,153	228,265

[*] Functional Costs etc. from Bromage and Reed, *Organization and Cost of County and Township Government*, 1933; McNitt Payments from 1937 statement of State Highway Department.

Since the McNitt money is apportioned to a county in accordance with the proportion of its township mileage, counties like Kent with a greater capacity to pay but with no correspondingly large ratio of township mileage have suffered. Counties like Roscommon having less capacity to pay but no correspondingly small ratio of township highway mileage have gained. Most counties have had to add to the McNitt subsidy other available grants-in-aid in order to provide adequately for maintenance and improvement of township roads. In 1935 the counties received $3,500,000 in McNitt payments from the state; they expended on township highways $6,914,287.[2]

The balances which the counties are putting into township roads come chiefly from two other grants: a specific grant of $2,550,000 from the gasoline tax and the return of the motor vehicle weight taxes by the state. With respect to 50 per cent of these weight taxes and the $2,550,000 grant from the gas tax, counties are specifically authorized (after spending such funds for other purposes which are given priority) to expend balances for the reduction of taxes for general highway township bonds and part of remaining balances for the maintenance of township highway systems.

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[1] Harry C. Coons, *Mapping Michigan Roads*, mimeo., 1938, pp. 6-7.

[2] State Highway Commissioner, *Sixteenth Biennial Report*, 1935-1936, p. 239.

Even the McNitt $4,000,000 subsidy and the balances available from other grants have not ufficed for both maintenance and mprovement of township highways in a few counties. In Kent County the solution has been ound in restoring township par-icipation in road building. In 937 the Kent County Road Commission informed the town-hips of the amount of funds from as and weight taxes which would robably be available for im-rovement of McNitt roads. It was suggested that the townships nter into a matching program by ppropriating township funds ob-ained from the general property ax. The townships coöperated o the extent of matching about ve-sevenths of the available ounty funds.[3]

Prior to the state's action in ansferring the administration of e rural road system from the wnship to county authorities, ore than thirteen hundred coun-y and township agencies had risdiction over this matter. This umber has now been reduced to the eighty-three county systems.

Although rural Michigan has shown no inclination to relinquish township government as a whole, by means of a functional approach and state aid the townships have been relieved of their major activity. Even the farmers acquiesce in the general verdict that township roads are now in better condition than they were under township administration.

COUNTY AND MULTI-COUNTY HEALTH UNITS

In the year 1846 legislative action gave rural health administration in Michigan its basic outline. Then the state provided that the township board should act as a board of health. The act directed the health board to appoint a health officer who should be a well educated physician to act as sanitary advisor and executive officer to the board.

The board was authorized, however, where it was not practicable to secure the services of a well educated and suitable physician, to appoint the supervisor or some other person as health officer. This arrangement may have been adequate a hundred years ago. In 1933 a survey of fifty-three Michigan counties which were using the township plan determined that 500 medical and 660 nonmedical health officers were responsible for public health therein.[4]

Michigan made possible in 1927 the organization of county and multi-county health units. By Act 306 of Public Acts 1927, as amended in 1929, the Board of Supervisors of any county in the state was authorized to provide for a county health department to be paid for out of the general funds of the county. The plan of organization and the selection of the health officer must be approved by the state health commissioner.

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[3] O. S. Kent, *Restoring Local Participa-on in Road Building*, mimeo., 1938.

[4] N. Sinai, *Organization and Administration of Public Health*, 1933, pp. 37-39.

The county health officer was given jurisdiction throughout the county, except in cities having their own organized health departments with full-time health officers. However, such cities may elect to join the county health unit. Two or more counties may organize a district health unit, for which a majority vote of the Board of Supervisors in each county is required together with the approval of the state health commissioner. The state may grant to a county an annual sum not to exceed $3,000 to aid in financing a county health department.

By 1932 ten counties had organized single, full-time health departments. In addition, nineteen counties in the northern part of the lower peninsula had combined to form five multi-county health units. A Bureau of County Health Administration was established in 1932 in the State Department of Health through which bureau the state health commissioner's program for the development of county and district health units has subsequently been carried out. The bureau also supervises the general health programs of county and district health units, checks their reports, appraises their activities, and collects and distributes data on the control of communicable diseases. The director of the bureau is available for consultation upon organizational problems, clinics, and disease control.

FOUNDATIONS LEND AID

Assistance from other sources has further fostered development of county and district units. The Children's Fund of Michigan was created in 1929 by the late Senator James Couzens. During its first year the fund assisted in the establishment of four district health departments of four counties each, and in the organization of one single county health unit. For this type of work the fund spent $109,970 in the single year ending April 30, 1937. In a recent report there are cited "notable results" accruing in the older districts aided by the fund for several years.[5] The Children's Fund of Michigan has not only subsidized county and district units, but has likewise supplied nursing and dental personnel for many counties without full-time departments.

The W. K. Kellogg Foundation was established in 1930 to provide for the health, happiness, and well-being of children. By the end of 1935 seven counties of southern Michigan were coöperating in the foundation's project known as the Michigan Community Health Project: Barry, Allegan, Eaton, Hillsdale, Van Buren, Calhoun, and Branch (named in order of their adoption of the county health unit idea). The area involved contained 250,000 people.

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[5] See Children's Fund of Michigan, *Eighth Annual Report,* 1937, p. 9.

The first step in each county was the organization of a county health unit which served as a center to coördinate the diversified health activities carried on by the various agencies in the county. At the start of the sixth year of the project, each of the seven counties had the following staff: "(1) county health officer, (2) one health counselor for each five thousand people, (3) one sanitary engineer and, during the summer months only, a student assistant, and (4) two clerks."[6]

Another contributing factor came into play in 1936 as federal funds became available to carry out the health provisions of the Social Security Act. Federal grants-in-aid have been used in Michigan to establish new county health departments, to strengthen existing county and city health departments, and to provide public health nurses in virtually every county. By August 1, 1938, Michigan had organized thirty-six district and county health departments. These cover fifty-eight of the eighty-three counties n the state. Sixty per cent of he entire rural population of the tate now is protected by full-ime, public health care.

COUNTY ADMINISTRATION OF PUBLIC WELFARE

At the inception of the depression, various units of local government were responsible for welfare administration. In some parts of Michigan, where the township was still used for this purpose, there were township, city, and county relief agencies. In 1932 Michigan had fifty-eight counties employing for this function the county unit system and twenty-five counties still using the townships and cities as units of administration. This distinction was of importance in granting aid to indigent persons outside institutions.

Under the county unit outdoor relief was administered by three county superintendents of the poor. Under the township-city plan, these respective units were responsible for outdoor relief, the county taking care of individuals whose residence was in doubt. In the township the supervisor was the relief officer. So far as institutional relief in the county infirmaries (poor farms) was concerned, it was carried on under the direction of the county superintendents of the poor, whether the county system or the township-city system was followed.

The probate judge (elected by the people) played a separate part in the welfare function. Adult, legal residents afflicted with any malady remediable by medical or surgical treatment could be hospitalized at county expense on his order. The juvenile division of the probate court was responsible for the care of dependent and delinquent children. Mothers' pensions were also administered by the probate judge, the county treasurer paying them on order of the court. The probate judge had power to appoint the Soldiers' Relief Commission. A special millage could be levied by the county for relief funds to be distributed by the commission outside institutions to veterans, their wives, widows, children, and mothers. The commission had authority to give or withhold aid at its discretion.

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[6] *The Eaton County Unit of the Michi-an Community Health Project*, 1935-1936. . 7.

Another factor in the relief set-up was the county agent appointed by the State Welfare Commission. This officer served in the investigation of such cases as indigent adults requiring hospitalization and neglected, dependent, and delinquent children. Such was the inarticulated organization of local rural welfare work at the time the storm of the depression broke.[7]

In 1933 the State Emergency Welfare Relief Commission was established by the state legislature. From July 1933 through December 1935 this commission carried out a program which involved a total cost of $149,000,000. In addition it directed the expenditure of over $49,985,000 on Civil Works Administration. Of the $149,342,000 expenditure, federal funds accounted for $106,943,000, state funds for $26,281,000, and local funds for $16,118,000. On the county level the program was carried out through a single county emergency relief administrator who was reponsible to an unpaid county commission of three members. The latter were appointed by and removable by the state commission with the approval of the Governor.

The emergency relief set-up resulted in obvious advantages: a single file of cases receiving emergency relief, a unified set of financial records, integrated county organization, and trained personnel.[8]

In 1935 the state established Old-age Assistance Bureaus in each county to meet the standards of and to obtain funds from the federal government in accordance with provisions of the Social Security Act. While unification under the state emergency relief administration was an improvement, a permanent relief organization was not established. Nevertheless, duplication remained as the old poor law authorities were neither abolished nor integrated with the newer agencies.[9]

During the first administration of Governor Fitzgerald, a Welfare and Relief Study Commission was appointed, on which Harold D. Smith, then director of the Michigan Municipal League, served as chairman. This commission reported in 1936 plans for the reorganization of state and county levels of public welfare administration. Under the leadership of former Governor Murphy, many of the recommendations of this commission were accepted after a hard struggle in the legislature in 1937.

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[7] This situation is ably presented in Opal V. Matson, *Local Relief to Dependents*, 1933.

[8] For a remarkable description of how the system worked out in a single, unnamed county in northern Michigan, see Louise V. Armstrong, *We Too Are the People*, 1938.

[9] See William Haber and P. L. Stanchfield, *Unemployment, Relief and Economic Security*, 1936, pp. 1 and 10.

COUNTY WELFARE DEPARTMENTS

Act No. 258 of the Public Acts of 1937 was designed to provide a Department of Public Welfare in each county. The department as therein provided was under the control of a County Public Welfare Board of three members, not more than two of whom could be members of the same political party. In a county having no city containing half the population of the county or half the assessed valuation thereof, it was arranged that the Board of Supervisors would appoint two members, and the State Department of Public Assistance (a new department also provided for by legislation of 1937) would appoint one member.

In any county containing such a city as outlined above the state department was to appoint one member, the county board one, and the city one. The act provided that two or more counties might establish a district welfare department. Under another section of the act cities of more than 300,000 population (Detroit) would continue to have their own city welfare departments. The remainder of a county including such a city (Wayne County) would have a separate welfare department with a special brand of welfare board.

Each Public Welfare Board was directed to hire a director and such assistants and employees as might be necessary. The major duties of this county board as outlined included: administration of general public relief (including unemployment relief and poor relief), old-age assistance, aid to dependent children, aid to the blind, assistance upon request to the probate court in investigational and follow-up service with respect to hospitalization of afflicted adults, afflicted and crippled children; supervision of and responsibility for the operation of the county infirmary and juvenile detention home; investigation upon request from the probate court of matters pertaining to dependent, neglected, and delinquent children; and action as agent for the State Department of Public Assistance under rules and regulations of the same.

The County Emergency Welfare Relief Commission, the County Old-age Assistance Board, the county superintendents of the poor, the county welfare agent, the Soldiers' and Sailors' Relief Commission, city directors of the poor, and the relief functions of the township supervisors were abolished by the act. In sum, Public Act No. 258 of 1937 provided for the long awaited unification of county welfare agencies.

The effective date of the act providing for the County Departments of Public Welfare was made dependent upon the taking effect of Act No. 257, which established a State Department of Public Assistance. This act provided for the unification of many state welfare functions into a single state department. Acts Nos. 257 and 258 were coördinate instrumentalities designed to furnish integration both on the state and the county levels in public welfare administration.

REFERENDUM CALLED

Within ninety days of the final adjournment of the state legislature in 1937, a petition signed by the requisite number of qualified electors was filed with the secretary of state, necessitating the submission of Act. No. 257 creating the State Department of Public Assistance to the voters by referendum at the general election in November 1938. The opposition which led to the petition for a referendum came largely from rural counties. The hue and cry of "state centralization" was raised against the legislative action. Home rule and local self-government served as convenient catchwords for the opponents of this legislation.

By a comparatively close vote Act No. 257 was defeated and indirectly, Act. No. 258 as well. Thus, a tremendous, potential advance in welfare organization and administration was defeated.

CONCLUSION

Bringing Michigan's counties and townships up to date is likely to continue as an unspectacular and gradual process of improving certain functional services. Michigan can offer no examples of general county consolidation and boasts no county executives or managers.

The technique which was used in Michigan to promote the transfer of township roads to county management and to develop county and district health units had as its core the grant-in-aid. In the case of these two functional activities, a considerable advance was made in local rural government through the elimination of a multiplicity of agencies. The attempt to apply a very similar technique to the problem of welfare administration did not produce the desired results. What made the difference? County authorities are not only willing to strip the township of its functions, but are politically capable of doing so. These same county authorities, however, are jealous of their own particular realms of power, and naturally opposed any consolidation of the old poor-relief authorities.

County Office Consolidations in Montana

By ROLAND R. RENNE
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The state has made a good start in its application of the short ballot principle to county government. Consolidation of offices has taken place in five counties.

IN 1933 the Montana Legislative Assembly passed an act providing for submitting a constitutional amendment to the qualified voters of the state, granting Boards of County Commissioners the power to consolidate certain county offices. This proposed amendment was approved by the voters on November 6, 1934, and declared in effect by a proclamation of the Governor a month later.

The amendment provides that the Board of County Commissioners of any county may, at its discretion, consolidate any two or more of the following eight elective offices and also combine the powers and duties of the offices so consolidated: clerk and recorder, sheriff, treasurer, superintendent of schools, surveyor, assessor, coroner, and public administrator.

When two or more offices are consolidated under a single officer, such officer receives the highest salary provided by law to be paid to any officer whose duties he s required to perform by reason of such consolidation, and also gives a bond in the same amount s would have been required of uch officer.

The Board of County Commissioners must, in order to consolidate any of these officers, make such an order at least six months prior to the general election held for the purpose of electing these officers.

The amendment does not apply to the following offices: county attorney, clerk of the district court, commissioner, justice of the peace, and constable. The office of auditor is not specifically provided for in the Montana constitution, but in counties of the first, second, third, or fourth class, an auditor may be elected.[1] In other words, the consolidations provided for do not apply to these six offices.

To date only eight of Montana's fifty-six counties have taken any action to effect consolidation of county offices under the 1934 amendment. In three of these the county commissioners have rescinded all resolutions calling for such consolidations before they could become effective, and in one other county the commissioners have rescinded two of the three consolidations ordered, but have effected the other consolidation. In the remaining four counties a consolidated office is operating in one, while the consolidations ordered in the other three took effect only at the beginning of 1939.

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[1] Only three counties in Montana qualify as being in one of these four classes. To qualify in one of these four, a county must have more than $15,000,000 of taxable valuation.

The eight counties whose Boards of County Commissioners have passed resolutions ordering consolidations are Blaine, Golden Valley, McCone, Mineral, Musselshell, Petroleum, Sheridan, and Toole. In Blaine, Golden Valley, and Toole the county commissioners have rescinded all resolutions ordering consolidation of any offices. In Blaine County the commissioners on March 28, 1936, passed a resolution consolidating the assessor's and treasurer's offices. This resolution was rescinded by the commissioners on June 3, 1936, or but slightly more than two months later. The reasons given for rescinding the order are: (1) that it would not effect any material saving of money; (2) that it would do away with one of the internal checks on the county officers and might be the means of opening an avenue for exploitation of the taxpayers.[2]

In Golden Valley County the commissioners on October 5, 1937, passed a resolution to consolidate the assessor's and clerk and recorder's offices to be effective January 1, 1939, and to consolidate the deputy treasurer's and deputy sheriff's offices, to be effective March 1, 1938.[3] Both actions, however, were rescinded by the county commissioners on May 3, 1938.

Arthur Burford, who was deputy treasurer and took over the consolidated deputyship (deputy treasurer and deputy sheriff combined) on March 1, 1938, was killed in the performance of his deputy sheriff's duties on April 14, 1938, six weeks after taking over the office. The death of Mr. Burford is given as the main reason for the commissioners' rescinding their former consolidation resolution. The feeling was general that a man working all day as deputy treasurer was not prepared, or at least would probably not take precautions to prepare himself adequately, to go out on duty calls as deputy sheriff. (Mr. Burford was very poorly armed when killed.) In other words, a man holding the combined deputyship would not devote as much thought to enforcement of the law and the taking of necessary precautions as would one who had no other duties except the deputy sheriff's duties to perform.

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[2] These are the reasons given by the clerk and recorder, who is the clerk of the Board of County Commissioners, in a letter to the author dated September 1, 1938. The three offices of assessor, clerk and recorder, and treasurer in Montana are charged with the duties of assessing, computing, and collecting taxes, respectively. The assessor reports all assessments to the clerk and recorder and the State Board of Equalization, and reports to the treasurer and state board the assessments on personal property that are not liens on real estate. The county clerk and recorder's office must check with the treasurer's office on amounts to be collected and the funds actually collected. Consequently, it is felt by many that keeping these three offices separate provides a good system of internal checks and balances on finances. However, the state examiner's office makes a careful audit of the books of county officers every year, and it would seem that it should be possible to set up a system of records and accounts that could be checked by a competent auditor to detect frauds at least as well as under the present system. However, the consolidation amendment does not provide for any such adaptation procedures.

[3] The authority to consolidate deputyships is not specifically mentioned in the office consolidation amendment. This authority is implied in the broad powers given the commissioners, who must approve all deputy appointments.

The question also arose as to what bond such a combined deputy should carry. The sheriff's office pays a higher salary than the treasurer's office, so the deputy would be primarily a sheriff's deputy and the treasurer's deputy secondarily. Yet the treasurer's bond is a much higher one than the sheriff's bond.

This apparent technicality calls attention to the need of a complete revision of the Montana consolidation law and of more specific provisions regarding each possible consolidation. At any rate, petitions were circulated by representative citizens of the county after Mr. Burford's death, asking the county commissioners to rescind their consolidation order (including the proposed consolidation of the assessor's office with the clerk and recorder's office), which they did.

In Toole County the commissioners, on April 10, 1936, ordered that the office of the surveyor be consolidated with the office of assessor, and that the offices of coroner and public administrator be consolidated with the office of sheriff. Both of these proposed consolidations were rescinded less than a month later by the county commissioners on May 7, 1936. They were to have become effective at the beginning of 1937.

COUNTIES WHERE CONSOLIDATIONS ARE EFFECTIVE

The two counties in which consolidated offices are in actual operation are Sheridan and Mineral. In Sheridan County the commissioners on March 24, 1936, ordered that the assessor's and treasurer's offices be consolidated with the office of the clerk and recorder, that the office of surveyor be consolidated with the office of sheriff, and that the office of public administrator be consolidated with the office of coroner. All of these three consolidations were effective the first Monday in January 1937, except that the county treasurer held his office until his term expired on the first Monday in March 1937.[4] These three consolidations have been in effect in Sheridan County since that time.

In Mineral County the commissioners on March 23, 1936, ordered that the office of county superintendent of schools be consolidated with the office of treasurer, that the surveyor's office be consolidated with that of assessor, and that the offices of coroner and public administrator be consolidated with the sheriff's office. These consolidations were to be effective at the beginning of 1937, but on April 8, 1936, only two weeks after passing the resolution consolidating these offices, the commissioners passed a resolution rescinding the first two of these proposals. However, the consolidation of the offices of coroner and public administrator with the office of sheriff has been in effect since the beginning of 1937.

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[4] The terms of treasurers, which are for two years, expire in Montana on the first Monday in March of odd-numbered years, while the terms of the other seven officers included in the consolidation amendment, which are also for two years, expire on the first Monday in January of odd-numbered years.

In McCone, Musselshell, and Petroleum Counties, consolidations which have been ordered by the commissioners went into effect at the beginning of 1939. In McCone County the assessor's and clerk and recorder's offices were ordered to be consolidated by a resolution passed April 8, 1938. In Musselshell the same consolidation was ordered by a resolution adopted January 15, 1938. In Petroleum County the assessor's and superintendent of schools' offices were ordered to be consolidated and the offices of public administrator and coroner were ordered to be consolidated with the office of sheriff by resolution passed January 5, 1938. In each of these three counties no officers were elected for the offices ruled abandoned by the above resolutions, so that these consolidations were effective at the beginning of 1939.

OFFICES CONSOLIDATED

The facts set forth above indicate that while county office consolidation under the 1934 amendment has not been widespread or large, nevertheless, some significant beginnings have been made. There does not appear to be any standard type of consolidation common to all of the eight counties. Apparently the offices which are ordered consolidated are made to fit local conditions and local personalities.

The office of assessor seems to be the one which is mentioned most frequently for consolidation with some other office. In six of the eight counties this office was ordered consolidated with either the clerk and recorder's office (in four counties), or with the treasurer's office (one county), or with the superintendent of schools' office (one county). This latter consolidation is not as logical as the others, these two offices having little in the way of common qualifications or duties. In the county in which this consolidation was ordered, however, the assessor was qualified for the office of superintendent of schools and was successful in the November 8, 1938, election to fill the consolidated position beginning in 1939.

Another consolidation which seems quite popular is that of putting the public administrator's and coroner's offices with the sheriff's office. This consolidation was involved in three of the eight counties, and to date in only one of these three cases has the resolution ordering such consolidations been rescinded. (In one of the other five counties the office of public administrator was ordered to be consolidated with the office of coroner.)

These three offices have much in common in the way of qualifications and duties. For example, one of the duties of the coro ner is to discharge the duties of the sheriff when the sheriff is party to an action or proceeding, and one of the duties of the public administrator is to administer and take charge of the estates of people dying within the county who have no known heirs, or of estates ordered into his hands by the court. One of the logical questions which arises when these two offices are consolidated with the office of sheriff is, "Who discharges the duties of sheriff when the sheriff is party to an action or proceeding?" No provision for this possible situation is made in the consolidation amendment.

The office of surveyor is mentioned for consolidation in three of the eight counties. In two of these cases, it was proposed to consolidate it with the assessor's office and in the other, with the sheriff's office. The office of surveyor in Montana is not now nearly as important as formerly, when there was much surveying and laying out of new roads. In fact, in some of the smaller counties there is virtually no work for the surveyor, and in several of the counties the office is vacant. In a recent survey eight counties showed no expenditures for this office, and fourteen others spend less than $100 annually.[5]

The logical question which arises is, "Why go to the trouble of electing officials whose earnings in the office are so small as to be frequently less than the cost of electing them?" An increasingly large number are of the opinion that such offices should be abandoned by consolidation with another office, and that the small amount of work that is required, if it be of a special or technical nature, should be hired on a professional basis. Similar conclusions could also be made concerning the coroner's and public administrator's offices in most Montana counties.

It is interesting to note that during the four years in which the consolidation law has been in effect (1935 to 1938), four of the eight counties passed resolutions regarding consolidation in 1936, one in 1937, and three in 1938. The fact that 1938 was an election year undoubtedly helps to account for the increase in actions taken in this year over 1937. Any office consolidations ordered during the coming year (1939) will not be effective until the terms of officers elected on November 8, 1938, expire.

Montana voters approved an amendment to the state constitution increasing the term of office of the eight officers mentioned in the beginning of this article to four years, instead of two, at the general election on November 8, 1938. Since this amendment had not been approved prior to the date the officers were elected, it is assumed that they will hold office for two years, but that at the next election (November 1940) they will be running for four-year terms. Consequently, no additional county office consolidations can take effect prior to the beginning of 1940.

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[5] See the author's "Montana County Organization, Services, and Costs," Montana Agricultural Experiment Station Bulletin No. 298, April 1935, p. 33.

Nevertheless, the fact that there were three consolidations ordered in 1938, none of which have been rescinded by the county commissioners, is encouraging in spite of the fact that only one-seventh of the counties have taken action of any kind during the four years in which the law has been in operation.

PROBLEMS OF CONSOLIDATION

Consolidations would undoubtedly be more general were it not for the confusing and conflicting situations which develop because of the carry-over of procedures established before consolidation, when all eight officers were elected independently. There are no far-reaching and complete revisions in financial and accounting procedure provided for in the case of specific consolidations to take care of the many confusing situations which inevitably arise, some of which have been pointed out in this paper. Also, those personally interested may bring pressure to influence commissioners not to pass consolidation resolutions or to rescind them if and when such resolutions are adopted. (Note the short time elapsing between the time consolidation resolutions were passed in some counties and the time they were rescinded.)

In Sheridan County where the consolidation of the offices of assessor, treasurer, and clerk and recorder has been in effect approximately two years, reports indicate that significant savings have been made. The Montana Taxpayers' Association, in its quarterly publication *Montana Taxpayer,* carried an item in March 1938 stating that, "In spite of state requirements to maintain the same cumbersome accounting system, the consolidated offices operated in 1937 for $5,681.29 less than when operated separately in 1936." This lower level of operation costs were continued during 1938.

The consolidations which have been made in Montana represent for the most part sincere beginnings to adapt Montana county government more adequately to present conditions and to improve efficiency.

NOTE: Contribution from Montana State College, Agricultural Experiment Station Paper No. 118, Journal Series.

State Supervision of County Finance in Kentucky

By JAMES W. MARTIN
Commissioner of Revenue of Kentucky, and Director, Bureau of Business Research, University of Kentucky

Local self-determination not impaired by prescription of uniform budgeting, accounting, and reporting. Within this framework counties may manage their own affairs.

AS EARLY as 1914 the General Assembly of Kentucky sought to establish a uniform system of accounting among counties of the state. Forms were prepared by the state nspector and examiner and turned over to the counties in the hope that they would be able to understand them and willing to use them. About half of the counties made no effort to install the new system; of the remainder only about half a dozen persevered in ts use.

Twelve years later, in 1926, the eneral Assembly again tackled he problem by enacting a uniorm county budget law, which hortly was declared unconstituional in its entirety. A further aw, enacted in 1932, was so rafted that the Court of Appeals eclared it inoperative.

More careful draftsmanship, ogether with the experience ained from these abortive atempts at county supervision, ave the state and counties, in the 934 Uniform County Budget Act, the first effective legislation on the subject.

The primary purpose of the 1934 County Budget Act was to bring some measure of order into the fiscal management of the counties. To stop the perpetual accumulation of floating indebtedness, the act required each county to prepare an annual budget covering all expenditures and forbade the allowance of claims not provided for in the budget.

State supervision was provided in the requirement that the county budget, after formulation by a budget commission but before adoption by the fiscal court, be submitted to the state inspector and examiner for approval as to form and classification.

Further supervisory authority was lodged in the state by the requirement that all counties adopt uniform accounting systems, to be prescribed by the state inspector and examiner. A separate act also provided that this officer should annually audit each county.

In putting the 1934 County Budget Act into operation the state inspector and examiner, Nat B. Sewell, avoided those mistakes which had made the 1914 law inoperative. A field staff of fifteen accountants was employed to assist the counties in the preparation of their first budgets and to instruct them in the use of the new accounting forms.

Although the law did not require the preparation of a budget for the first year, 1934-1935, 112 of Kentucky's 120 counties voluntarily made a start in that year. The fifteen men, together with Mr. Sewell, visited each of the counties at least once and, through tactful education and persuasion, secured the coöperation of most county officials in getting the budget and accounting system under way.

FIELD AUDITORS VISIT COUNTIES

The first county audits were made during 1935, and since then annually; this affords a continuous opportunity to follow up the work started in 1934. In addition to the annual visits of the field auditors, Mr. Sewell personally has occasion to visit forty or fifty counties each year to help untangle their financial problems.

Because of the relationship of county finance to state functions in property tax administration, the authority to exercise financial supervision over counties was vested in the Department of Revenue by the 1936 Governmental Reorganization Act. To bring the appraisal of state supervision impartially within the purview of post auditing, this function was lodged in another department. Mr. Sewell, as director of post audits,[1] has continued to make annual county audits and has assisted the Department of Revenue in the exercise of its supervisory functions.

Under the 1934 County Budget Act undoubted progress has been made. It is not possible to know how most of the counties managed their affairs prior to the enactment of this legislation. The large accumulation of floating debts and of funding bonds with which many counties are still saddled indicates that free and easy spending, with little reference to income, was generally the rule.

Floating indebtedness, funding bonds, and courthouse bonds outstanding aggregated $12,000,000 on July 1, 1935. (This is more than one year's income from all sources of all the counties.) By July 1, 1937—only two years later—these had been reduced to $6,500,000. This indicates the counties of Kentucky were living within their incomes and in addition were paying off their old debts—and this, too, during a period of economic stress. There are many counties which have incurred no floating indebtedness since 1934—eloquent evidence of the improvement brought about by the county budget law.

Regrettably, the record of the past fiscal year is not so encouraging. The first six months of the year witnessed the worst spending spree and the most flagrant violations of the budget law since its adoption. There may be some connection between this circumstance and the fact that last year was the first local election year since enactment of the budget law.

The two problems which currently present greatest difficulties are the propensity of many counties to overspend their revenues and the state of near-bankruptcy to which a number have been reduced by excessive debts and a contracting tax base.

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[1] The present Division of Post Audits represents an interim arrangement pending the effective date (January, 1940) of certain phases of the Reorganization Act of 1936.

PREVENTING OVERSPENDING

The 1934 law was not entirely effective, as already has been intimated, in preventing counties from overspending their revenues. Certain amendments made by the 1938 General Assembly were designed to erect further safeguards against such practices. The Department of Revenue was authorized to withhold approval of a budget which overestimated receipts or contained any appropriation for an illegal purpose, which with certain probable exceptions includes appropriations for paying claims incurred during a preceding year in excess of the budget appropriations for that year.

To prevent the recurrence of uch reckless spending as during he fall of 1937, it was specified hat in local election years a couny might not spend more than 65 er cent of its anticipated reveues during the first six months. Finally, the county court clerk was required to present the fiscal ourt and the Department of Revnue a quarterly statement showng in detail the status of each udget appropriation account. These reports provide a current icture of what is taking place in he counties. The department is alling to the attention of the county officers each instance in which the report indicates any danger of overspending the budget.

One of the greatest obstacles to sound financial management of Kentucky counties is the absence of any accounting system uniformly applied. Accrual accounting is virtually unknown. Usually no entry is made on the books until a claim has been approved by the fiscal court and a warrant drawn for its payment. Consequently, the books may indicate that a county is operating well within its budget, while at the same moment stacks of valid claims may have accumulated which, if paid, would throw it hopelessly out of balance. A step in the direction of remedying this situation has been taken in the requirement that such claims be shown in the clerk's quarterly statement mentioned above.

The ultimate solution lies in the installation of a system of accrual accounting in each of the counties. Accrual records, unfortunately, must be somewhat technical; and but few of the county court clerks are trained bookkeepers. The Department of Revenue has devised a reasonably adequate accounting system but recognizes that much servicing will be required and that installation in only a few counties at a time, therefore, will be possible.

Wide diffusion of county responsibility renders supervision difficult. While the incurring of obligations by a county in excess of its budget appropriations is prohibited by statute, and those responsible for such acts are subject to prosecution, there is almost no way of fixing such responsibility. Unsuccessful legislative efforts have been made to concentrate responsibility, with concomitant authority, in some single county officer.

The responsibility for prosecuting such offenses lies by implication in the county attorney or some local taxpayer; by law the Department of Revenue and the director of post audits may exercise this responsibility. It is neither practicable nor desirable that any state supervisory officer should be charged with the duty of policing the county officers of 120 counties, and it is also inexpedient to depend invariably on the county attorney to take such matters in hand. The problem of compliance, it appears, must be solved, if it is to be solved satisfactorily, by persuasion, admonition, and coöperation. Even this approach, however, is rendered difficult by existing diffusion of responsibility for county management among numerous local officials.

The debt problem of Kentucky's counties has reached such proportions that Governor Chandler considered it necessary to call a special session of the 1938 General Assembly for its consideration. Although the entire indebtedness of all Kentucky counties is comparatively small, it has mounted to a sum equal to the total aggregate revenue for nearly three years produced by imposing, almost uniformly, the maximum county levy. On June 30, 1938, twenty-six counties were in default. In some counties receipts from the bond levies are not sufficient even to meet annual interest charges.

CONTROL OF DEBT UNDERTAKEN

Faced with widespread default in counties, both actual and impending, the General Assembly felt that some measure of assistance was necessary. The County Debt Act of 1938, while not going as far (particularly in state financial aid) as some had hoped, attempts to do certain definite things.

Inadequate control over the issuance of county bonds has been one of the causes of the present incapacity of the counties to meet their debt obligations. The 1938 act requires that any proposed county bond issue bringing a county's indebtedness to over 0.5 per cent of its assessed value be submitted to the Department of Revenue for approval. The department may refuse approval if, among other things, there is reason to believe that the county will not be able to meet all principal and interest maturities when due.

Since the department is in a favorable position to evaluate the financial prospects of each of the counties, it should be able to do much toward preventing them from incurring further indebtedness beyond their capacity to pay Provision is made, incidentally for appeal from the decision o the department to the County

Debt Commission (an ex officio commission of state officers created by the act) and thence to the courts.

SINKING FUND PROBLEM

A further cause of the failure of counties to meet their debt obligations has been the diversion, improper investment, or dissipation in one form or another of their sinking funds. The state of West Virginia solved this problem nearly two decades ago by requiring all subordinate units to place their sinking funds in the hands of the state. The efficacy of this plan has been amply demonstrated: West Virginia enjoys the distinction of having had no defaults in municipal bonds throughout the period of the depression.

The adoption in whole of the West Virginia plan by the commonwealth of Kentucky would have run strongly counter to deeply rooted traditions of local autonomy and probably would have been unconstitutional. The County Debt Act of 1938 took a tep in this direction by authorizng the setting up of a similar entral sinking fund arrangement, ut by making participation on he part of the counties voluntary xcept for those which issue bonds pproved by the Department of Revenue. As already noted, its pproval is required only in cases here a county issues bonds inreasing its total indebtedness to ver 0.5 per cent of its assessed alue. Refunding issues, by virue of the fact that they do not increase a county's indebtedness, do not therefore require the approval of the department.

This points to one striking deficiency of the present law. Generally the counties most in need of state assistance and possibly control are those which have found themselves unable to meet their debt obligations and are thus forced to resort to refunding operations. Such counties may avoid the necessity of participating in the central sinking fund simply by declining to submit their refunding issues for approval. If the services of the state government prove to be worth while, however, it is likely that creditors, in the long run, will condition acceptance of refunding plans on their utilization.

Nevertheless, it is possible under the present law that counties which in the past have managed their debt financing adequately may find themselves required to participate in the central sinking fund, while those in which debt management has been notoriously bad may be exempt. The principle that state control should be exercised where needed and inoperative where no necessity for it exists has not been fully realized.

The County Debt Act of 1938 imposed certain additional safeguards upon sinking fund management. It restricted the kinds of investments eligible for sinking funds to a few sound types of securities. It required the preparation semi-annually of a report on the status of each sinking fund retained under the management of county officials.

The habitual failure of many counties to build up sinking funds for the redemption of term bonds was attacked in an indirect fashion. The Department of Revenue was given authority to withhold approval of a county's budget if it fails to comply with any requirements of law. One relevant requirement is that a county make adequate annual provision for paying its debts when due. Approval of a county's budget, therefore, may be withheld until the county officers are willing to appropriate sufficient sums for their sinking funds.

The provisions of the 1938 County Debt Act already mentioned are preventive in their emphasis; they are designed to safeguard a county against future danger of default. Since this act became effective no new bonds have been issued. It appears that some raids on sinking funds have been prevented, and in their 1938-39 budgets several counties perforce have made more adequate provisions for building up their sinking funds or paying their debts. However, the immediately pressing problem is one of removing default or of preventing imminent default. It is to this task that the Department of Revenue largely has directed its attention.

NEGOTIATING DEBT ADJUSTMENTS

The department is serving as a liaison agent between the counties and their bondholders. It believes that in few cases is there a divergence of interest between the two parties and that the principal task is to get them together for the purpose of threshing out their problems until a mutually satisfactory solution is reached. The first imperative was a realistic and unbiased inquiry into the debt status of each county and its capacity, present and prospective, to pay.

The department, with the cooperation of the Legislative Council, promptly prepared detailed analyses of the indebtedness, revenues, expenditures, and future financial prospects of each county in question. Several conferences between county officers and representatives of bondholders have been held. As a result of these conferences a few tentative refunding contracts already have been prepared. These are being closely scrutinized by the department, which is prepared to insist that any agreement entered into must be on such terms that future default will not be probable.

CONCLUSION

Local autonomy is, by long tradition, highly cherished in Kentucky; it is desirable that this sense of local responsibility be cultivated. Counties which by chronic bad management, however, bring disrepute upon the state, and in a very real sense injure the credit of well managed counties, have forfeited in part their right to manage their affairs as they see fit.

The particular problem involved in state supervision is to secure controls where needed without otherwise reducing autonomy. Local self-determination is not impaired by the state's prescribing uniform procedures in budgeting, accounting, and reporting. Within the framework thus set up, the county may fully manage its own affairs.

Approval of budgets, in the case f well managed counties, be-omes perfunctory, except that ssistance and advice may be giv-n and are usually welcome. In ractice, the requirement that ounty budgets be approved by he Department of Revenue laces controls and limitations pon local autonomy only where hese are needed.

State supervision over county inance in Kentucky is only four ears old. As experience is gained, istakes will be observed and mprovements in law and in prac-ice will undoubtedly be made. he predominant attitude, both of he director of post audits and the epartment of Revenue, has been ne of helpfulness rather than of ttempted coercion; of super-ision, not direction. In general e counties have welcomed this ssistance and have lent willing öperation. Increasingly, coun- officials are coming voluntarily the state offices for advice. he Department of Revenue is roceeding on the assumption that e prime emphasis in state su-rvision should be on helping the unties themselves to do a better b.

THE STATE COMMISSION OF LOCAL GOVERNMENT

(Continued from Page 88)

educational, advisory, and informational service to Virginia counties.

In summary, it may be said that although most states still depend on the supervision of county government through constitutional, statutory, electoral, or executive departmental control devices which have largely failed, certain states have established permanent local government commissions. These are either purely advisory as in Pennsylvania and in North Carolina, prior to 1931; distinctively regulatory as in North Carolina since 1931; or for research, education and promotion, and the recommendation of legislation, as in Virginia.

It is my mature conviction that all of these functions should be embodied in a permanent state Department of Local Government, with an adequate personnel, funds, and authority to perform its functions. The cost of local government in Virginia represents $85,000,000 for the counties, cities, and towns, as compared with about $51,000,000 for the state government. This proportion is largely true in other states. The efficiency, economy, and democratic responsiveness of local government in the United States is probably the final test of whether we can really make democracy work in the country.

Editor's Note—This paper has been re-itten from an address prepared under e supervision of the author by his col-gues, Harry Lynn, research supervisor, d H. Clyde Reeves, executive assistant to the Commissioner of Revenue, and presented by the latter before the Kentucky Academy of Social Sciences, October 29, 1938.

Erie County Adopts New Salary and Position Plan

Salary schedules as worked out by Committee on Classification and Standardization now embodied in 1939 budget.

By SIDNEY DETMERS
Manager, Buffalo Municipal Research Bureau, Inc.

THE Erie County, New York, Committee on Classification and Standardization of County Positions filed its report on July 26, 1938, sixteen months after it was appointed. That report is the outcome of a rather outstanding piece of work, the results of which were embodied, late in November, in the county budget for 1939.

Salary surveys are not new in Erie County. The three most recent were those reported in 1929, 1933, and 1935, which were made by committees of the Board of Supervisors after they had spent much time and labor on them. None was formally adopted and none had much effect in accomplishing its purpose, as is evidenced by the continued references to "inequalities and injustices" in salaries which have marked the proceedings of budget-making each year.

In 1934 the Buffalo Municipal Research Bureau pointed out that the cause of this condition lay in the method used in making the surveys; that the county supervisors appointed to the committees were necessarily inexperienced in collecting essential data, were often misled by misrepresentation or faulty information, and often influenced by conscious or unconscious prejudices as to individual employees, or by political considerations. Thus, it said, in the end there was no scientific basis of fact on which to found their practical judgment; and such a basis ought first to be established by a private, professional body, and its findings submitted to the official committee for action.

Though the Bureau's recommendation was not adopted for the 1935 survey, which was carried on with WPA assistance, anc failed, as had the other surveys to be adopted by the full board the committee appointed in 193 unanimously voted to adopt th bureau's plan. This committe consisted of five members of th Board of Supervisors and five private citizens, one each from th research bureau, the taxpayer league, the civil service employees, organized labor, and the public at large, voting right was restricted to the board members, bu no questions arose which nece sitated resort to this provision.

At its first meeting the commi tee voted to retain a local fir which had a good record in doi municipal work of this characte and a contract involving the pa ment of between $4,000 a $5,000 was concluded. Apa from general instructions as the scope and character of the data to be obtained, the firm was left unhampered by the committee and by its members to carry on its work.

This work included, as the firm's report showed, the questioning of each of the 1,400 county employees as to their duties, except where the duties of a group were identical, as in the case of penitentiary guards, where typical individuals supplied the information; verification of this information by the department head concerned; interviewing local private employers as to salaries and wages paid in private employment to persons performing duties identical with or analogous to those in county employ; examination of rates paid in public employ in comparable municipalities; classification of Erie County positions; writing definitions for each such group of positions; fitting each county position into its proper place in the new schedule; and revising the title of each position to conform to the proposed new title.

SALARY SCHEDULES PREPARED

The schedule provided a minimum for beginners and a specified annual increment to the maximum. The rates proposed excluded consideration of distress and other subnormal rates in private employment.

The firm's report was submitted early in March 1938, when, as had not been anticipated, the county welfare department ook over the welfare administration of the entire county including that of the city of Buffalo, and added some 1,100 positions to the county's previous 1,400. The committee insisted that these new positions be salaried according to the same factual basis as the others had been, which necessitated some delay in the final report. On July 26, 1938, however, the completed report went to the Board of Supervisors, and a bitter fight ensued.

This was occasioned by the fact that a great number of social workers who had been working in the city department at higher rates than the proposed schedule objected to being "reduced," although their positions with the city having been abolished, they ought to have been satisfied to obtain positions at the reasonable rates which the county proposed to give them.

The committee concentrated its efforts on obtaining the passage of this crucial section of the report—that affecting social workers—and after many public hearings the schedule was adopted by the full Board of Supervisors by a vote of 29 to 25, a bare majority. These and all the other salaries as provided by the schedule are now embodied in the county budget for 1939, and the committee's work has thus been brought to a successful conclusion.

The county salaries had been reduced from the 1929 rates by about 10 per cent and then raised by about one-half of the cut. The demand in 1937 was for a full "restoration." The committee had this demand to deal with. It found that the salaries of 1928 and 1929 and the attempts under previous surveys to fix them from time to time to accord with existing conditions was done by rule of thumb rather than by any definite plan, and each attempt provoked much feeling in the case of certain individuals. The committee said:

RESTORATION OF CUTS DEMANDED

"A policy of fixing more reasonable starting salaries was impeded from time to time by demands for 'restorations of salary cuts' and by demands for the elimination of 'inequalities.' The so-called 'restoration of salary cuts,' of course, has no relation to elimination of 'inequalities' because 'restoration of salary cuts' would be bound to create more 'inequalities,' at least in so far as more recent appointments are concerned. 'Restoration of salary cuts' is a good slogan for any employee or group of employees paid a salary in 1928 or 1929 which will not stand critical analysis today. A classification and standardization plan that is fair and just will correct any proper case of underpayment, but such a correction would have no connection with 1928 or 1929 salary paid but would stand on its own feet in the light of present day conditions.

" 'Restoration of salary cuts' is still a good slogan, however, with which to confuse thought on what is fair pay for work actually being done. It can also be used to confuse any effort, however reasonable, to reclassify positions in accordance with duties actually being performed and to place fair cash values on such reclassified personal service."

This classification plan or any scale of salaries is not a static thing but needs to be re-examined and to be kept up to date from time to time if it is to work to the satisfaction of the employees who work under it and of the public which pays the bills.

It is therefore contemplated by the report of the committee that it shall be made the duty of some agency to see that new positions as they are created fall into proper groups, and when a vacancy occurs which can be filled by promotion, that the opportunity is afforded to those qualified to compete for it.

The difficulties to be encountered in setting up a standard schedule of this kind cannot be overestimated. They consist chiefly in the objection of employees who have obviously been favored by too-great salaries to suffer any reduction even to a fai basis of pay. What has been in their minds, is what ought to be In such an attitude they are too often supported by officials who somehow cannot grasp the ide that a fair, scientifically constructed schedule is in the end, i the interest of good morale, satisfaction on the part of employee and just to the public as well.

New Orleans Research Bureau Takes Up the Mushroom

Clouds over Rochester
A Picture Book of Ballots
Schenectady Gets Cheaper Votes
Research and the Cost of Government

"IN THE brief span of eight years public relief has mushroomed from a minor function of local government to a problem of national concern. A work once carried on largely by private charities has become a part of a huge federal-state-local undertaking.

"What is the future of this problem of supporting the needy from public funds? Will improving economic conditions solve the difficulties of today? How can we pay the tremendous cost of public relief?

"There are also the problems of rehabilitating those now on relief rolls to the point of self-support and the role of the private relief agencies in this work. These are questions of grave public conern. They need research, interpretation, nd public knowledge."

Thus does the **New Orleans Bureau of Governmental Research** preface an anouncement in its bulletin of January 5th f the initiation of a series of bulletins n public relief. "It is hoped that the rticles may be helpful to both public fficials and laymen by clarifying some sues, by furnishing facts, and by indicating some possible improvements."

The New Orleans Bureau's action follows gically on the exciting and excited discussion of the relief question at the last annual meeting of the national **Governmental Research Association** (September 1938, Princeton, New Jersey), and it ay well presage similar undertakings by ther bureaus, similarly impressed not only ith the importance of the problem but ith the paucity of constructive interest in The breadth of treatment of the subject relief in the first of the New Orleans series, which accompanies the announcement, is another good omen.

A December bulletin from the **Rochester Bureau** highlights one troublesome phase of the relief question. A vivid graph illustrates the relationship of welfare debt to total welfare cost in the past ten years, for which period the bureau coins the term "the welfare era." "According to the figures Rochester ended its first decade of the welfare era with about two-thirds (65.23 per cent) of its welfare obligations paid. It is not probable that many cities in Rochester's population group can show as good a record. Nevertheless, there is one regrettable note in the score. Interest on funds borrowed to meet current welfare expense has already approached the million mark, and, before the final obligation incurred prior to 1938 is discharged, the gross interest charges will reach the very respectable sum of $1,349,870."

The bulletin lays the "cloud of welfare debt" to fear of the political results of a high tax rate, and the feeling among taxpayers that the tax bills are too high, and cogently points out again the consequence—that respectable interest charge.

Research Bureaus Take Up the Vote

Of late, with a glance at the dictator countries, American hands have been devoutly raised to heaven in thanksgiving for the privilege of voting "No" with complete physical safety. But the mechanical hazards of the vote are still being more or less consistently ignored. Comes Professor Carl O. Smith of Wayne University to remind us, with *A Book of Ballots* published with an introduction by the **Detroit Bureau of Governmental Research** (June 1938).

It is just that—a collection of ballots used in American state and local elections, with a few foreign ballots to show contrast. Their infinite and complicated variety should be proof enough that vote frauds and polling place sluggings are not the only reason why the vote so often goes "wrong" to an expert's way of thinking. Even the voting machines, which theoretically cut down the margin of fraud, give promise of augmenting the margin of confusion.

In the United States, control of the ballot, physically speaking, is entirely in local hands. After the localities get through solving the relief problem, they might turn their attention to this one. The *Book of Ballots* should serve excellently as illustrative material for the do's and the don'ts. And, incidentally, it should give the short ballot principle another boost.

The **Detroit Bureau** turned its attention to another aspect of the vote in its study of *Detroit Voters and Recent Elections,* dated June 1938. The municipal vote since 1928 was analyzed by nationality groups, sex, economic class, and geographical location within the city, with a view to discovering how many of each group voted on what questions. There are numerous charts and tables and maps to support the bureau's findings. Although the study's special significance must be for Detroit voters themselves, it illustrates what tremendous possible significance there could be in a group of similar studies done by other research bureaus for their respective cities. In recent months Flint has done something similar.[1] Why not others?

One other bureau seems already to have turned its attention to another phase of the ballot situation, with concrete results. **The Schenectady Bureau** some years ago made recommendations to the city clerk and council which were designed to cut voting costs, and last year some of these recommendations were put into effect. A bureau bulletin reports that the moving of polling places from private properties, where rents ranged from five dollars to seven dollars per day, to city-owned land and buildings, has resulted in a reduction of 41 per cent in polling place rents. It suggests redistricting as the next step in cutting the cost of the franchise.

Des Moines Answers a Question

"When do we start to hold down public costs and taxes?" The question must ring familiarly in a researcher's ears. The **Des Moines Bureau of Municipal Research** has an unsual reply. Des Moines local government costs have not gone up, they are in fact little higher than they were in 1923! For this circumstance the bureau claims some credit, for "the bureau started many years ago in its efforts to hold down public costs," it is explained in a recent bulletin.

Comparisons made on a per capita basis show that there has been a per capita decrease of 8 per cent in school and sanitation departments since 1923, and 2, 7, and 9 per cent increases in the highway, recreation, and police departments respectively. Greatest increases have been in administrative costs, fire department, building inspections, and a miscellaneous item which includes pensions and judgments. Total city and school costs have increased but 4 per cent in the past fifteen years.

In contrast, other research bureaus are less sanguine about governmental costs. "Storm warnings" are hoisted by the **Atlantic City Survey Commission,** which finds taxes going up and a composite index of local business activity going down. The **Civic Federation and Bureau of Public Efficiency** in Chicago warns in headlines that "Conservative Appropriations Alone Can Curb Tax Increases." The **Bureau of Municipal Research of Philadelphia,** a city which is now in the throes of tryin to get a city manager charter authorize by the legislature, points out "Huge Budge Gap" and "The Need for More Revenue.

And, by way of final contrast, the **Civi Research Institute of Kansas City** title a bulletin "Predicting a Million Dolla County Cash Surplus," due to a ne budget law.

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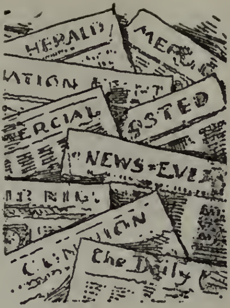
[1] Discussed in NATIONAL MUNICIPAL REVIEW for January 1939, page 53.

Recent News Reviewed



Manager Plan Interest Reaches New High

Many Cities Want Charter Changes

Wheeling Discusses Its Finances

By H. M. OLMSTED

An ordinance has been introduced into the common council of Madison, Wisconsin, to provide for the city manager plan of government. The ordinance carries with it a resolution which would submit the question to a vote of the people on April 4th. If the referendum is approved, the manager plan will go into effect in April 1940.

A revised charter is now in the hands of the Duluth Charter Commission. It is hoped to schedule the election for March 18th, same date as the city primary election.

The League of Women Voters of Athens, Georgia, plan to petition their legislators to introduce into the present session of the legislature a bill providing for a council-manager form of government for that city. The new charter would be submitted to the voters on its passage by the legislature. According to the *Athens Banner-Herald,* the proposed charter follows closely the model city charter of the National Municipal League.

A home rule bill applying to Little Rock only has recently been approved by the House Cities and Towns Committee of the Arkansas legislature. The bill, if passed, will provide that any group of citizens may petition for an election on whether or not a manager charter shall be drawn and submitted to the voters. The petition must be signed by qualified voters representing 15 per cent of the votes cast at the last preceding municipal election. Candidates for a seven-member charter committee would be placed in nomination and elected at the same time.

There is much interest in the manager plan in Ogdensburg, New York, and Laconia, New Hampshire, where County Commissioner-elect Charles E. Carroll has estimated that savings under a manager charter would run as high as $100,000. San Antonio, Texas; Santa Fe, New Mexico; Santa Monica, California; and Hugo, Oklahoma, are also investigating the plan.

State Senator William E. Jenner has introduced into the Indiana legislature a bill which, if passed, would make the manager plan optional for all first, second, third, and fourth class cities in the state. The measure provides that citizens of any of these cities may petition for an election to determine whether the manager plan shall be adopted. The plan calls for the election of a council of seven by proportional representation and the appointment of a manager by that council.

Another Indiana bill provides for creation of a commission of seven to study the manager plan and report to the Governor on or before October 1, 1940, regarding its proposed legislation.

Citizens of Indianapolis, Muncie, Anderson, and Seymour are showing interest in the movement to secure a city manager enabling act.

A proposed new charter for Providence, Rhode Island, providing the city manager plan and proportional representation, has recently been introduced into the legislature. (See also page 177.) In the neighboring city of Pawtucket, the manager plan and P. R. were advocated at a recent meeting.

Leominster, Melrose, and Dedham, Massachusetts, are evidencing interest in the plan.

In Pittsfield, Maine, at a citizens' meeting held recently, a tentative draft of a town-manager charter was presented for explanation, suggestions, and criticism, preparatory to the petitioning of the legislature for permission to adopt such a charter.

A proposed charter for Waterbury has been introduced into the Connecticut legislature. The bill provides for the city manager plan with a council elected by proportional representation. If passed by the legislature, the charter will be submitted to a referendum vote within the city.

The Union League Club of Chicago is seeking to have various Illinois members, outside of Chicago, work with its city manager committee, sound out sentiment in their respective localities for the manager plan, and inform legislators of interest in the plan, as an aid to obtaining a city manager enabling act. The first of a series of Chicago Town Meeting broadcasts inaugurated by NBC will be "Is the City Manager Plan Practicable for Chicago." Participants will include Judge Oscar Nelson of the Superior Court, who is opposed to the plan, and Dr. A. R. Hatton of Northwestern University and Roger Dunn, executive director of the Chicago City Manager Committee, who will support manager government.

In Webster City, Iowa, a petition to abolish the manager plan has been circulated for presentation to the council.

Cape Girardeau, Missouri, is reported as showing interest in the manager plan.

County manager enabling legislation is being considered in North Dakota, where the new governor has expressed interest in the matter.

Public Administration Service, which recently made a survey of Concord, New Hampshire, has recommended the manager plan for that city. The mayor has appointed a committee to study the charter and recommend alterations.

Several amendments to the Knoxville, Tennessee, charter, prepared by the City Charter Commission and approved by the City Council on January 17th, have been introduced in the legislature. The most important of the suggested amendments is that restoring Knoxville's former city manager form of government. A bill which would give city manager government to Johnson City, Tennessee, was introduced into the legislature on January 23rd.

In Birmingham, Alabama, the *Post* reports that a bill proposing a referendum vote on manager government for that city is being studied by a state legislative committee.

In Fair Lawn, New Jersey, Mayor Theodore K. Ferry has invited fourteen civic organizations to study the advisability of the manager plan for that municipality.

A council committee at Palestine, Texas, is studying the plan.

The Philadelphia Charter Commission has submitted to the Governor and the General Assembly of Pennsylvania a 121-page report recommending the council-manager plan for that city. If the proposed charter is passed by the legislature and approved by the voters at a special referendum in the spring it will go into effect in January, 1940.

In Pittsburgh, Pennsylvania, on January 16th, representatives of a group of district organizations meeting at the call of Mrs. R. T. Smith, president of the Allegheny County League of Women Voters, renewed the drive for establishment of the city manager plan with proportional representation for Pittsburgh. Organizations represented included the Congress of Clubs, the Civic Club, the Chamber of Commerce, the Urban League, and the Allegheny County Real Estate Owners and Taxpayers' League.

A bill making optional the city manager plan for third class cities in Pennsylvania has been introduced into the legislature. Johnstown citizens are showing considerable interest in the passage of this bill.

A manager ordinance is being seriously considered by the borough council of Jenkintown, Pennsylvania.

In Lehighton, Pennsylvania, a campaign or the manager plan is reported to be under way.

Wheeling Holds Notable Discussion of Local Finances

The West Virginia League of Municipalies reports a civic meeting of outstanding nterest and effectiveness last December in he city of Wheeling, where officials and itizens coöperated to find a solution for ocal financial problems. To quote from he League's *News Bulletin*:

"The meeting was especially arranged by he Wheeling City Council following adopon of a resolution fixing the date and nviting Ohio County's state senator and our members of the House of Delegates o meet representatives chosen by leading vic and community organizations for a ound-table study, with municipal officials, f the plight of cities. The fine spirit of he conference was amazing to an outside bserver. Interest was intense in the vital sues and there was no quibbling over tty topics.

"Citizens and their organization repre-ntatives were there filling every available seat of the council chamber. They wanted to know why city funds for maintenance of essential public services were inadequate. Senator Sweeney and Delegates Cummins, Ewing, Hannig, and Johnson were there, all the Ohio County state legislators. They wanted to know what legislative acts were responsible for the great distress prevailing, and what remedial legislation was practical and possible. All city officials were present, and they were fully prepared to explain in detail the financial difficulties of their stewardship, point out how their operating revenues had been disproportionately slashed, show the added burdens piled upon them, and suggest the necessary corrective measures. . . .

"Wheeling's story was vividly told by Mayor Mathison, Councilmen Cotton, Duffy, Gaydosh, Goodwin, Neff, Rosenbloom, and Shockley, City Manager Humphrey, City Engineer Smith, and City Solicitor McCamic. Councilman William J. Cotton, former state legislator and father of the conference resolution, scored many forceful points in behalf of cities during a splendidly prepared address.

"As delegates from civic organizations and citizen associations were called upon, each unhesitatingly joined the discussion, admitted that cities must have more money for essential services, praised the league legislative program calling for no new taxes but a municipal share of state imposts now being collected."

Citizens and legislators alike pledged efforts to obtain fair revenue treatment of cities by the state.

The league called upon other communities in the state to emulate Wheeling, both as a stimulus to good municipal government and as part of a concerted effort to obtain fair treatment of city revenue problems by the legislature.

St. Louis Mayor Appeals to Public

More than 180,000 copies of *Your Business,* four-page newspaper edited by Mayor Dickmann of St. Louis, Missouri, were distributed to the homes in that city in December as a means of eliciting suggestions for providing funds for necessary services without increasing taxes. Despite economies claimed to total $12,000,000, relief and other welfare demands have increased, and the city shows a million-dollar deficit.

Pan American Intermunicipal Coöperation Commission

In accordance with a resolution of the first Pan American Municipal Congress, held in Havana, Cuba, last November,[1] Dr. Antonio B. Mendieta, president of the Congress and mayor of Havana, announced on January 19th the appointment of a Pan American Intermunicipal Coöperation Commission. It is to compile and distribute information among municipalities concerning administrative problems, select the site of the next congress, and strive for closer relations between the people of the cities in the Americas. It consists of nine members, each from a different country. The member from the United States is Mayor Daniel W. Hoan of Milwaukee.

Greater Newcastle—a Unified Australian Municipality

Despite agitations and investigations extending over forty years, the municipal government of Australian cities is still chaotic and uncoördinated. The capital of Queensland alone among the metropolitan cities of Australia has unified its municipal government. Greater Brisbane was launched in 1925 and embraces within its boundaries an area of 385 square miles. The metropolitan area of Sydney, with a million and a quarter inhabitants, is still governed by sixty separate municipal authorities, as well as by numerous state-created *ad hoc* bodies administering various service functions.

Services which in other countries are supplied by local bodies are in Australia generally provided by the central governments, state and federal. For example, the state governments own and administer the railway systems, the metropolitan street tramways and omnibus services, the water and sewerage systems; they administer education and police, build and regulate hospitals, construct and maintain main roads and water conservation and irrigation projects, and regulate harbor traffic and dredge services. Whenever any new service has to be provided it is not to the local governing authorities that we turn, but to new authorities created *ad hoc*. Hence we have a chaos of agencies, overlapping areas, and a multiplicity of rates and charges.

To persuade the government to undertake the consolidation of a metropolitan area is therefore an achievement, and as such was hailed the granting, as from April 1938, of a new charter for the industrial city of Newcastle, the second largest city in New South Wales.

By the Greater Newcastle Act, eleven municipalities and parts of two shires were consolidated into a single municipal area. The Greater Newcastle Council takes over an area of thirty-five square miles, with a population of 250,000, a ratable value upon an unimproved capital basis of £7,000,000 and an income of £580,000, including the revenue of the electricity supply undertaking.

The new council consists of twenty-one aldermen, instead of 117 under the old system, three being elected from each of seven wards. There is no property qualification for aldermen, and the franchise is enjoyed by all enrolled adults of twenty-one years and over who occupy a dwelling, and by all persons who own property.[1]

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[1] See Rowland Egger, "Pan American Congress of Municipalities," NATIONAL MUNICIPAL REVIEW, January 1939.

[1] That is to say, an adult who lives in a ward may vote, and an owner may vote once in each ward in which he owns property. An owner-adult has only one vote in the ward in which he resides.

The new council has taken over all the assets and liabilities of the displaced councils, and a uniform system of rating has been applied, subject however to the provision that for the years 1938 and 1939 no greater rate can be levied in the area than was levied by the displaced councils for the year 1937. This was a concession to the ratepayers of the city of Newcastle, which had the lowest rate for the amalgamated area and possessed a preponderating share of ratable property. The rates varied from 4½d. in the pound in Newcastle to 7½d. in the suburbs.

In addition to the ordinary domestic services, the new council has taken over the generation and supply of electric current for the whole area, the abattoirs and meat industry, and on a date to be proclaimed may take over the trams and motor omnibus services. It also elects five members to the Newcastle and Hunter River District Water Supply and Sewerage Board. It is expected that the council will in the future take over the administration of the Port of Newcastle, which is already the third largest shipping center in Australia.

The council is organized on traditional British lines, i.e., it elects its mayor from among the members of the council, and distributes its work among committees, each presided over by a vice-chairman, the mayor being *ex officio* chairman of all committees. An innovation for New South Wales is a provision to allow the coöption of citizens to the several council committees, but unlike the British system, such coöpted members are not allowed to vote.

The chief administrative officer of the council is the town clerk. Proposals for the appointment of a city manager were considered and rejected, which reflects the general unwillingness to depart from traditional procedure. The professional officers of the council, e.g. the city engineer, the electrical engineer, and the sanitary surveyor, are appointed by the council and must possess qualifications prescribed by the Local Government Act. For the remainder of the staff no qualifications are prescribed, and appointments are part of the patronage of the council. All officials enjoy permanence of tenure, and qualify for superannuation benefits. There is no civil service commission to hold examinations or to make appointments.

The creation of Greater Newcastle will afford a much needed opportunity for a unified municipal control of an area which is destined to be a very important industrial center. Since the Great War, the population has trebled itself. In the area will be found the largest steel and iron works in the British dominions, and in it, or contiguous to the boundaries of Greater Newcastle, are coal deposits among the most extensive in the world.

F. A. Bland

Sydney, Australia

New York Governor Asks Wide Anti-Corruption Powers

In a special message to the legislature on January 18th Governor Herbert H. Lehman sought the enactment of a broad program covering the following six points:

1. Additional grounds for superseding local district attorneys, and the appointment of special prosecutors by the governor instead of by the attorney-general.

2. Power of the governor to appoint a commissioner, as under the present Moreland Act relating to investigation of state agencies, to investigate and report to the governor on the affairs of local governments.

3. The state controller, now empowered to investigate the accounts of fiscal officers of localities, to be required to turn over any evidence of irregularities to the governor, the attorney-general, and the local district attorney.

4. A constant check on the diligence of district attorneys by requiring a grand jury in each county to investigate annually the disposition made of all indictments over a year old.

5. A requirement that district attorneys, or their assistants, in the more populous counties, be prohibited from the private practice of law.

6. The establishment of a state department of justice along the lines of the federal department.

Virginia Short Courses Continued

The Virginia League of Municipalities, in collaboration with its associated professional groups, is continuing its program of short courses for municipal officials and employees. Some of these are conducted in coöperation with the state department of education with grants made under the George-Deen Act. A two-day school for finance officers is expected to be held in the latter part of March at Richmond, conducted by Carl H. Chatters, executive director of the Municipal Finance Officers' Association. Courses to be given later include those for utility operators, police recruits, fire instructors and volunteer firemen, the courses for the last-mentioned to be given by traveling instructors.

In-service Training Schools for City Planners

The Municipal Training Institute of New York State, administered by the New York State Conference of Mayors, is conducting two regional training schools for officials and employees of municipal, regional, and state planning agencies in that state, and has invited planners in the service of the federal government and from neighboring states to enroll. The first school was held in Rochester, January 25th, 26th, and 27th, and the second meets in New York City February 7th, 8th and 9th. An outstanding instructional staff, headed by Wayne D. Heydecker, director of state planning at Albany, was secured.

Voters Affirm More State Referenda Than Local

According to a statistical analysis by the Bureau of the Census, 115 out of 203, or 57 per cent, of state propositions voted upon in the 1938 elections, were approved, while only 42 per cent of 222 city-proposed questions were approved.

Of the 203 state proposals, 154 were constitutional amendments, nearly two-thirds of which, or ninety-seven, were adopted; of the other forty-nine proposals, not constitutional matters, only eighteen were approved.

Nearly two-thirds (133) of the 203 state propositions dealt with the organization or operation of the state governments; of the others, thirty-one were state-wide provisions relating to local government, and thirty-nine referred to specifically named localities. Proposed bond issues or other debt authorizations numbered forty-three, mostly affecting specific localities; thirty-two of these were adopted. Out of twenty-one tax propositions eleven were approved.

Over 37 per cent (seventy-six) of the 203 state proposals were concentrated in three states: Louisiana had twenty-eight, California twenty-five, and Georgia twenty-three. In twelve states no propositions were submitted.

Ohio Civil Service Council Propounds Legislation

Reorganization of the State Civil Service Commission, elimination of many of the exemptions that have crept into the civil service law through the years, the strengthening of the prohibition against political activity, and other needed legislative changes are planned by the Ohio Civil Service Council, which was organized in recent months "to promote, foster, and defend the merit system of the state of Ohio and the political subdivisions thereof." It is made up of delegates from the various state civic associations and a number of local organizations, and is the outgrowth of a conference originally called by the Ohio Institute. Robert A. Weaver, until recently president of the Citizens League of Cleveland, is president of the council, and Robert T. Mason is managing director, at 150 East Broad Street, Columbus.

Retirement Systems for Employees

State and municipal governments are ccelerating their plans for employee re-irement benefit systems, according to the Municipal Finance Officers' Association of he United States and Canada.

Although nearly four million government mployees are now included in retirement ystems, the majority of these are classified mployees in the federal service and pub-ic school teachers. Retirement systems xist in fewer than ten states and in only 19 cities of more than ten thousand pop-lation. Many of the city retirement sys-ms cover only policemen and firemen.

Retirement legislation is planned for roposal in at least nine states holding ssions in 1939. Systems for state em-loyees will be proposed in Illinois, Wis-nsin, and perhaps Michigan. Plans for ate-wide systems whereby local govern-ents may participate in a state fund or a joint municipal fund will be intro-uced in California, Illinois, North Caro-na, Pennsylvania, and Wisconsin. Teacher tirement plans will be suggested in ebraska and New Mexico, and Vermont ill consider a retirement system for licemen.

More than one-fifth of the cities set up eir systems within the past five years, cording to a recent survey.

Chief concern of the local governments tablishing retirement systems is to set an actuarial reserve plan which is onomical and will assure benefit pay-nts, the association said. Because a ge number of participants is necessary r an economical and actuarially sound stem, municipalities are reported to be rning to state-wide plans administered ntly by participating municipalities or the state.

A Regional Traffic Engineering Institute

Municipal engineering officials of New Jersey and near-by states will attend a two-weeks interstate traffic safety survey course of the Regional Engineering Institute, at Rutgers University, New Brunswick, New Jersey, February 13th to 15th. The institute is stated to be the first of its kind, and is presented by the Rutgers Bureau of Public Safety and the Rutgers College of Engineering, in coöperation with the Institute of Traffic Engineers, to stimulate a more active interest in traffic engineering among organizations and communities with a problem of traffic control and safety.

More Federal-State Cooperation Urged For Farm Labor Problem

Close coördination of federal and state employment services in the handling of farm labor is recommended as a result of a study recently completed under the auspices of the Public Administration Committee of the Social Science Research Council.

A Board to Supervise Federal Real Estate

President Roosevelt has created a Federal Real Estate Board to record government land holdings, pass on new acquisitions, determine the effect of federal ownership of land on tax rolls of counties or other taxing units, and make recommendations regarding that problem and also as to the treatment of surplus holdings. The board consists of the Secretaries of Agriculture, Commerce, Interior, Justice, Navy, and War, and the heads of the TVA, the Treasury Department Procurement Division, and the Bureau of the Budget. It is created as a result of a study by a committee of the National Emergency Council.

County Reorganization Discussed in Ohio and New York City

Atlanta and Fulton County Seek Consolidation

Tennessee Counties in Electric Business

By PAUL W. WAGER

When the voters of Ohio in 1933 adopted the amendments to the state constitution granting limited home rule to the counties of the state they provided that:

> The General Assembly shall provide by general law for the organization and government of counties, and may provide by general law for alternative forms of county government.

Such alternative forms were to be submitted in the manner provided by law to the voters of any county for adoption. More than five years have passed and the General Assembly has not yet enacted any such alternative forms of government.

In 1934 the County Home Rule Association, which fostered the amendment, prepared a bill providing for four alternative forms of county government. The proposal was introduced in the 1935 session of the General Assembly but died in a house committee. In 1936 the Citizens League of Cleveland prepared a much simpler bill containing two alternative forms—a county mayor form and a county manager form—but it was not acceptable to a conference of civic organizations of the state. The conference favored a bill offering five alternative forms, which was introduced in the 1938 legislature but like the earlier bill was killed in committee.

This year the Citizens League, as announced in its bulletin, *Greater Cleveland,* has revised slightly its bill, containing the two alternative forms, and it has been will be introduced in the present sessio of the General Assembly. The main features of the bill are as follows:

1. A county council of three, five, or seven members (depending upon population) which would be the policy determining authority in the county, taking the place of the board of county commissioners but with no more authority.
2. A county chief executive (either elective or appointive) who would have authority to appoint the heads of the six administrative departments and to direct and be responsible for the administration of county affairs.
3. Six major administrative departments—law, finance, public works, public health and welfare, public safety, and public records.
4. A county civil service commission or authority in the council to contract with an existing municipal civil service commission to administer the merit system in the county.
5. A county planning commission with broad powers to plan and direct the future physical development of the county.
6. The usual miscellaneous provisions regarding the budget, purchases and supplies, contracts, transfer of functions, etc.

New County Reorganization Bills Offered in New York City

Vice Chairman Cashmore has introduce in the New York City Council three ne county reorganization bills as substitut for the Earle bills[1] which were defeat last year. His bills propose to abolish t offices of register and commissioner records and the transfer of their duti to the county clerks. They also propo to abolish the sheriffs as elective offic and transfer their duties to the Suprer Court, to be exercised by a marshall each county appointed by the reside justice. In each case, Mr. Cashmore i sists, the abolition of elective offices m be approved by referendum of the vot as a matter of law. He said no bills would be backed by the Democrats to abolish the office of commissioner of jurors because the state constitution already provided for the transfer of the duties of this office to the county clerks. Similarly, he said, the Democrats did not favor abolition of the public administrators because they were recognized as officers of the courts.

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[1] See also NATIONAL MUNICIPAL REVI for January 1939, page 62.

Newbold Morris, president of the Council, criticized the bills on the ground that they merely perpetuated division of responsibility. He said, "The Democratic majority naturally feels that the jobs in the county offices will be more secure under the courts than under the eagle eye of the present Mayor of the City of New York."

Adapted from *New York Times*

City-County Consolidation Proposed for Atlanta and Fulton County, Georgia

The Atlanta, Georgia, *Journal* of January 18th reports that leaders of the Atlanta Junior Chamber of Commerce have organized to petition the legislature on behalf of a proposal to consolidate Atlanta and Fulton County. They will work with the One Government League, recently organized to push the matter of securing a "one government" charter for the city and county. The proposed charter must first be passed by the legislature and then submitted to the voters of the territory affected.[1]

Colorado Seeks Release from Constitutional Straitjacket

Senator Rudolph Johnson has introduced in the Colorado legislature a resolution proposing an amendment to the state constitution which would free county government from the rigid uniformity now required. The present constitution provides that all county officers, some ten or more in number, must be elected independently every two years. The proposed amendment would simply repeal the existing provisions and provide as follows: "The General Assembly shall provide by law for county officers and county government." This would permit the legislature to provide for optional forms of county government.

Tennessee Counties Distribute Electric Power

Weakley and Carroll Counties, in northwest Tennessee, assumed the function, in December 1938, of selling electricity generated by the Tennessee Valley Authority. They are the first counties to contract with the TVA for the purchase and resale of power, and in so far as we know, county power systems elsewhere in the United States are limited to Crisp County, Georgia, and Greenwood County, South Carolina. The addition of power distribution to the group of newer county functions may be regarded as an important development in local government. Significant factors in the situation that merit continued attention are the use of revenue bonds, the advisory functions which the TVA may exercise, and the required payments in lieu of taxes to governmental units other than that owning the utility. The success of these county ventures into power distribution may determine a new trend in public ownership of electric utilities.

The distribution systems now owned by Weakley and Carroll Counties were acquired from the Kentucky-Tennessee Light and Power Company on December 28, 1938. The remainder of the company's electric property was purchased by the cities of Paris and Clarksville, and by two coöperatives, the Gibson County and the Cumberland electric membership corporations.

Weakley and Carroll Counties took advantage of the Municipal Electric Plant Act of 1935, which empowers counties and cities to acquire and operate electric utilities. Revenue bonds, optional under the statute, were selected by both counties to finance their utility systems. Weakley County issued serial bonds amounting to $275,000. Carroll County authorized a $300,000 bond issue, of which $175,000 has been sold to acquire the present properties. The remaining bonds authorized are to finance the purchase of additional distribution lines from private companies in the area.

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[1] See also this issue of Review, page 101.

The electric department of each county is a separate organization, controlled by a public utility board as provided in the enabling statute. This board, appointed by the chairman of the county court with the consent of that body, consists of three members in Carroll County and five members in Weakley County. A member of the county court serves on each board. The board employs a superintendent who enjoys rather wide statutory freedom in his administration of the personnel and activities of the department. The boards are relatively independent in managing the utilities (although members are removable by the county court), but they lack the power to issue bonds and the contracts they executed with the TVA were ratified by the county courts.

The number of consumers of all types totaled 2,009 in the Weakley County system, and 1,323 in the Carroll County system at the time of the transfer of ownership. Weakley County serves the incorporated municipalities (for street lighting, waterworks, etc.) as well as the resident consumers of Martin, Dresden, Greenfield, Sharon, and Gleason. Carroll County likewise extends the same service to the cities and residents of Huntington, McKenzie, and Trezevant. This form of city-county relationship is particularly noteworthy. Under the Municipal Electric Plant Act of 1935 any governmental unit wishing to operate an electric utility in any other local government jurisdiction must secure the consent of the latter.

The contracts between the TVA and the counties are similar to the standard power contract that the authority has executed with many municipalities. Resale rate schedules and stipulations regarding disposition of revenues are set forth. The electric department undertakes to segregate its moneys from other county funds and to follow the accounting system recommended by the authority, which may render advisory assistance in fiscal and accounting matters. An innovation in the contract is the provision obligating the authority to render advice "in problems of personnel and administration" if requested.

Moreover, certain payments from the electric department to governmental units are prescribed. The Carroll County electric department, for example, is obliged to pay Carroll County a return on the county's investment in the utility system. It is also required to pay Carroll County, other counties, municipalities, and school districts a sum in lieu of taxes, such sum to be determined by applying the tax rate of the respective jurisdiction to the value of the utility property located therein.

LYNDON E. ABBOTT
Tennessee Valley Authority

Local Laws Would Be Banned in North Carolina

A constitutional amendment prohibitin
the General Assembly of North Carolin
from passing certain types of special an
local laws is recommended by a commissio
created by the last legislature to stud
the question.

Asserting that the practice of passin
laws for individual counties and munici
palities impeded seriously the progress
the legislature, the commission estimate
that the amendment would reduce the wor
of the assembly by two-thirds. The repo
warned, however, that a more thoroug
study of the situation should be ma
before the proposed amendment is drafte
It suggested as a first step the codificati

f the general statutes pertaining to coun-
ies and municipalities, crimes and punish-
nents, civil and criminal procedure, schools
nd education, elections, and other subjects
hat might be covered by acts of uniform
pplication. Upon completion of the codi-
ication, it proposed that an amendment
e submitted that would prohibit the
eneral Assembly from the enactment of
ocal legislation invading these fields.

Voting Machines Adopted by Tennessee County

A proposed bond issue, not to exceed
350,000, for the purchase of voting ma-
hines for Davidson County (Nashville),
ennessee, was approved by the voters
st November 8th. The vote was 5,284
r and 2,383 against the bonds. The
ashville Banner as well as numerous civic
rganizations supported the passage of the
easure. Since all polls were furnished
ith voting machines at the election, the
oice of the electorate for the machines
unmistakable. Issuance of the bonds
ill likely be deferred until near the next
lloting date.

LYNDON E. ABBOTT

ennessee Valley Authority

County Homes Being Closed

Largely as a result of the inauguration
the social security program numerous
unty homes throughout the country have
en closed. Alabama has closed forty-
ht of its sixty-one institutions, Georgia
enty-two out of fifty-seven, and Iowa,
nnecticut, Tennessee, North Carolina,
nnesota, West Virginia, Delaware, and
bably other states have closed some of
ir almshouses. Virginia as early as 1925
d without the benefit of the social secur-
program provided district hospital-
es with hospital equipment to replace
county homes.

Spotlight Turned on Relief

News of Wisconsin Cities

By WADE S. SMITH

First major action of the new House of Representatives after Congress convened was the slashing of $150,000,000 from the President's $875,000,000 supplementary appropriation bill requested to carry the Works Progress Administration until June 30th. Spokesmen for relief groups, labor organizations, and the United States Conference of Mayors joined in opposition to the reduction, but the bill was approved by the Senate Appropriations Committee at the $725,000,000 figure, although with the provision that additional funds might be provided before the close of the fiscal year should the unemployment emergency require. The Senate committee also provided that dismissals from WPA rolls prior to April 1st must not exceed 5 per cent of the present rolls.

Special significance of the "economy drive" for local government and local taxpayers lies in the fact that since its inception WPA (and its predecessor, CWA) has measurably lightened the relief drain on states, counties, and cities. "Work relief," with the federal government putting up the money for payrolls for the unemployed and the locality putting up what has been quite generally very minor sums for materials, rights of way, etc., has aimed to provide for the so-called "employables" among those needing public assistance. In many instances, particularly in rural or semi-rural areas, WPA has carried the lion's share of emergency relief, supplemented only by mothers' and children's allotments and the normal charitable and welfare facilities of the localities. In practically all cases the load carried by WPA has very drastically reduced the emergency relief cost which would otherwise have fallen upon the locality or the state and locality.

Inasmuch as preliminary information shows that our cities and counties generally met with financial reverses during 1938, with the less favorable showing in comparison with 1937 and 1936 demonstrably due to increased relief requirements in many instances, the implications for local finance inherent in the slashing in funds available for WPA are self-evident.

The action of the Senate Appropriations Committee in providing for a new appeal for funds, should that be necessary, as well as its efforts to prevent wholesale discharges prior to the advent of warmer weather, give some indication that the Senate body realizes fully the possible consequences of curtailment without adequate study of the means by which the localities are to assume the burden. None the less, the drive toward reduction in federal outlays for relief purposes is unmistakable, and is sure to be followed by serious budgetary troubles in many states, counties, and municipalities, all in degree varying with the extent to which the local units are at present carrying the relief cost.

New Jersey Faces Relief Crisis

Of the many difficulties facing New Jersey and its municipalities that paramount recently has been how to finance relief. The present problem began in 1938 when relief costs were underestimated by one-third. Total charges for the year were anticipated at $16,000,000. Of this the state agreed to pay $12,000,000, leaving the remaining 25 per cent, or $4,000,000, to local governments. But relief expenditures, instead of totaling $16,000,000, were about $23,500,000.

The resultant deficit of about $7,500,000 presents both state and municipalities with a difficult problem. For the state, if this agency is to meet the whole deficit and a large part of 1939 charges as well, it probably means increased taxation of some sort, since all other state moneys available last year were utilized for relief as fully as possible. Unfortunately, both major parties at Trenton have pledged themselves to "no new taxation." It thus remains to be seen whether the legislature will throw over its pledges and tax for relief, or turn a large share of the relief load back to the municipalities. New taxes to produce roughly $19,000,000—about $7,500,000 to cover the 1938 deficit so that the state can assume it and $12,000,000 for the state's share in 1939—have been recommended by the State Relief Commission, but specific levies have not as yet been suggested.

If no attempt is made to increase state revenues appropriable for relief, the relief problem will be a serious one for many cities, boroughs, and townships. In the first place the relief burden falls heavily on many communities least able to bear it financially—communities with a large number of relief clients and generally low taxpaying capacity resulting in heavy tax delinquency. Some of these carried over large relief deficits from 1938 because requirements were greater than expected and because state reimbursements for relief extended only to July 1st. While these deficits to be included in 1939 budgets may be offset to some extent by 1938 reimbursements yet to be made by the state and while the state legislature on Januar 16th adopted under suspension of th rules a bill permitting the funding of unpaid 1938 relief claims regardless of presen legal restrictions on new borrowing, i seems probable that the municipalitie must share some of the burden this yea for the 1938 costs.

Besides making additional provision f 1938 costs in their 1939 budgets—and i future budgets if the costs are funded local units must provide for 1939 reli charges also. The relief commission h estimated these at $22,000,000, with t state to assume $12,000,000 and the mun cipalities $10,000,000—an increase of 1 per cent over the municipalities' share estimated for 1938. This will mean add tional and burdensome taxation for ma ommunities already struggling with high ax rates.

Municipal operating results in the state 1938 were in general unsatisfactory in lacing the units in a strong position to ssume larger relief costs. The high debt urden was reduced slightly during the ear, with little new borrowing, and some ommunities funded all their operating defi-ts to begin "cash basis" operations under e new budget act. Collections on the 38 tax levies generally were higher than 1937, but delinquent tax receipts were wer, reflecting the fact that the volume collectible arrears is declining and that large proportion of the remaining tax elinquencies in many places will require quidation by foreclosure and resale of operty, a process which will be an ex-nded one.

Surpluses created by refinancing pro-ams of 1934-36 were largely used up in e last two years, and in 1938 capital nd cash surpluses were spent entirely to duce general taxation charges in many aces. Where assessment bonds had pre-usly been refunded assessment cash was so used in some instances. Neither of ese reservoirs of cash can be called on is year to lighten the tax levy in those its where they were used. Likewise, neral fund cash surpluses available for 39 will be generally smaller. The net sult of this exhaustion of surpluses and avier relief costs will probably be higher x rates in many of the New Jersey muni-alities. Other places, with no relief ubles, some of their surplus intact, and od tax collections in 1938, begin perma-nt "cash basis" operations with prospects a tax rate in line with 1938.

ROBERT A. HALL

w York City

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isconsin Underwrites Municipalities' Deposits

The state fund in which the deposits of governmental units in Wisconsin are insured has finally wiped out all deficits and is now beginning to accumulate some reserves. The State Board of Deposits was created by the Wisconsin legislature at the beginning of the depression at a time when surety bonds covering public deposits were being cancelled and public depositors were left without any protection. Shortly after this fund was established the extensive bank failures which occurred in Wisconsin as part of the nation-wide situation resulted in a very large volume of public deposits being tied up.

The State Board of Deposits on several occasions procured large loans from the Reconstruction Finance Corporation and later from a group of Wisconsin banks which permitted the 100 per cent payment of all claims of public depositors against banks. These loans have gradually been paid off by the State Board of Deposits largely from proceeds of the liquidation of bank assets and partly through premiums paid by public depositors.

In the beginning all public depositors in the state were required to pay into the state fund at the rate of 2 per cent per annum on all public deposits. This was subsequently reduced to 1 per cent. Effective January 1, 1939, the premium payable by public depositors will be one-half of 1 per cent and in addition there will be exempted all funds protected by the Federal Deposit Insurance Corporation.

On January 1st the State Board of Deposits will have cash assets of approximately $300,000 together with claims against banks conservatively estimated to have a sound liquidation value of $1,200,000.

It is anticipated that the new rate will produce an additional income of about $225,000 annually without including interest earned. The average gross loss incurred by the State Board of Deposits for each of the last three years has been less than $10,000 annually and experience has shown that approximately 75 per cent of such losses are eventually recovered from the bank assets. The overhead cost of operating the fund has been only slightly more than $10,000 annually. For that reason Wisconsin municipalities vigorously urge that the rate be reduced to one-twentieth of 1 per cent. They have pointed out that the present assets were sufficient to pay losses for four hundred years upon the basis of the last three years' losses.

There will be a complete change in the membership of the State Board of Deposits in January 1939, and Wisconsin municipalities hope that they will agree to further reduce the premium payable by public depositors.

Frederick N. MacMillin
League of Wisconsin Municipalities

Personal Property Assessed on Income Basis

In cases arising in Fond du Lac and Stevens Point, Wisconsin, recent circuit court decisions have upheld the action of city assessors in assessing equipment owned by the International Business Machines Corporation upon the basis of the income potentialities. The assessors in valuing these machines for the purpose of general property taxation rejected the contention of the company that the physical value of the property only should be considered. These cases will undoubtedly be appealed to the State Supreme Court.

In the Fond du Lac case the company contended that the property was valued at $3,600 for assessment purposes but admitted an income from this property of approximately $10,000 yearly. Judge Van Pelt in upholding the assessment of $42,000 included the following statement in his decision:

"I conclude that there is credible evidence to support the finding of the board of review. The method of assessment in this case is unusual, but we have an unsual case to assess. There appears to be no market value for these machines. The assessor found that the tabulating machinery in question produces a very large return to its owners when comparing it with manufacturing costs. He took this large income into consideration in making his assessment; he took further into consideration an inherent value based upon certain patent rights."

Frederick N. MacMillin
League of Wisconsin Municipalities

Kentucky Court Limits Spending

For more than thirty years the Court of Appeals of Kentucky has placed an unusual interpretation on the following provision of the state constitution (section 157): "No county, city, town, taxing district, or other municipality shall be authorized or permitted to become indebted in any manner or for any purpose to an amount exceeding in any year the income and revenue provided for such year without the assent of two-thirds of the voters thereof, voting at an election to be held for that purpose." In effect, the court has held that if any taxing district levied less than the maximum tax rate the district could exceed the revenue produced provided it did not exceed the amount which would have been produced had the maximum rate authorized by the constitution and statutes been levied.

In an extended opinion handed down on January 18th (*Payne et al.* v. *the City of Covington*) the court expressly overruled this long line of cases and held that a taxing district "shall contract no debts beyond the amount of revenue which they themselves provide under authority given to them by the constitution or statutes legally acted thereunder." In thus deciding this important constitutional question, the court, after citing numerous cases to sustain its authority, held that in no respect should the present decision be construed retrospectively. Even in the case at bar it was held that the indebtedness was legally incurred. However, "the various taxing units of the commonwealth embraced in the two sections of the contitution supra (157 and 158) shall, after his opinion becomes final, observe and be overned by the interpretations herein nade."

The practical effect of the decision by the ighest court in Kentucky will be minor or the moment as respects counties for e reason that practically all counties now npose the maximum levy. Some lan-uage used in the opinion, however, sug-ests that the court may outlaw any verspending of current revenues. In view f the general law on the subject, however, is probable that this will not be done as spects *necessary governmental expenses* meet emergencies.

In cities, school districts, and perhaps few other local taxing units the immedi-e influence of the decision will probably greater than in the case of counties. any of the cities do not at the present ne impose the maximum legal tax rate d the present decision would tend to strict the financial activities of any such xing jurisdiction.

In general, the court's unanimous de-ion came twenty or thirty years too late do the greatest possible good in the unties and other taxing districts of ntucky. Its general effect, however, r the future promises to be helpful in control of expenditures.

JAMES W. MARTIN
mmissioner of Revenue, Kentucky

. R. Campaigns in Four Cities

Philadelphia, Providence, New Rochelle, White Plains

By GEORGE H. HALLETT, JR.

e Philadelphia Charter Commission Tells Why It Is For P. R.

he Philadelphia Charter Commission, ose proposed charter for Philadelphia introduced into the legislature on January 17th by Senators George Woodward, Republican, and Harry Shapiro, Democrat, has made public the following statement of its reasons for providing P. R. for the election of the council of eleven which will choose the city manager and control virtually the whole city government if the commission's recommendations are adopted:

"Proportional representation is the method of voting provided for the election of council. It differs from ordinary voting in that numbers are marked in the squares in front of the candidates' names rather than cross marks. The voter marks '1' in the square of the candidate he prefers to all others; '2' for his second choice, '3' for the next choice, and so on.

"Its superiority to ordinary voting in fundamental principle is well illustrated by the analogy of sending your child to the grocery store. You want some fruit. You prefer oranges. If they are not available, you want apples; if they also are not available, you want bananas; and so forth. So you write on a piece of paper the names of the fruits in the following order:

pears	4
apples	2
apricots	5
oranges	1
bananas	3
prunes	6

"You indicate the order of your preferences by numerals as shown above. And your little boy does the rest: he brings back the fruit you really prefer among those kinds that are available.

"After all, no voter believes that candidates are either fine or bad, with no half-way ones in between. Proportional representation, by allowing the voter to rank his choices, provides him with a method of voting worthy of his intelligence, and counts his ballot for the candidate who really needs it.

"Though casting a vote is simplicity itself, counting the ballots is, comparatively speaking, complex. The count takes a week to ten days to complete (unless the votes are counted by machine). But that these two features are really objectionable, we are not prepared to admit. What does it matter that the automobile is an intricate mechanism if it is simple to drive and withal the best form of transportation that man can devise?

"In the councilmanic election in Philadelphia in 1935, about 45 per cent of all votes cast were wasted—they failed to elect anybody. A proportion of futile ballots as huge as that is not democracy. Councilmen are supposed to be representative.

"P. R. (proportional representation) elects a council which is the city itself, personified. Like the camera, it takes an accurate picture. Under P. R. New York City had well over 80 per cent of its votes effective in 1937, and Cincinnati's effective ballots were 90 per cent of the total cast in the same year. When these cities elected councilmen before adopting proportional representation their effective ballots were around Philadelphia's 55 per cent in its 1935 election. P. R. would have jumped the total of effective ballots in Philadelphia from 385,000 to about 600,000.

"How can P. R. accomplish this improvement? It does so, first, because a candidate who receives one-eleventh of the votes is elected. He cannot hope to win if he gets less, but he is bound to win if he gets more. It does so, second, because indicating choices permits the transfer of ballots. If one's first choice cannot hope to win, the ballot goes to one's second choice, and so on.

"Through the use of P. R. in the selection of councilmen, voting groups obtain representation in proportion to their voting strength and the composition of council, therefore, is the same as a cross section of the electorate. A voting majority receives a council majority and a voting minority cannot possibly do so. Minority representation is assured, though, unless the minority votes are so few as to be less than one-eleventh of the total. (That has never been the case in our city.)

"A prospective voter need never have the feeling that 'there is no use in voting—my vote won't count anyway.' Under the old system he was right more than one-third of the time. Under P. R. his vote will count almost nine times out of ten.

"To us that alone is worth the one criticism of P. R. which has any merit: counting the ballots costs more than under the existing system.

"We have been strongly impressed by the experience of other cities with P. R., especially in light of the problems of electing council in our own city.

"The experience of these cities (New York, Cincinnati, Toledo, Wheeling, etc.) demonstrates that a better type of candidate runs for office.

"A new and vital interest in the election of council is invariably experienced when P. R. is adopted. Especially is this true of the independent voter.

"The possibility of election fraud is greatly reduced because of the central count, because of the checks in counting that go with it, and because of the great costs and risk that would be incurred in attempting to 'steal' an election.

"The claims were advanced before us that P. R. encourages racial, religious, and economic cleavages by enabling such groups to elect councilmen, and that P. R. prevents geographic representation. Experience elsewhere does not support these arguments. Some voters will vote along racial, religious, or economic lines, but they do so no more than under any other system of voting. Concerning geographic representation, persons actually elected in P. R. contests in America have always been well distributed geographically.

"It has also been charged that P. R. facilitates the election of a council divided into blocs in which no effective majority exists. This has not been the case to date in any of the P. R. cities in the United

States. Our strong tradition of a two-party system and the psychological fact that most Americans, other things being equal, prefer to belong to large and powerful organizations, seem to preclude the formation of such blocs.

"We have found cases in which the P. R. ballot was too long. It contained too many names. In these cases it was obvious that it was too easy for extremists and publicity seekers to get on the ballot. The provisions in the proposed charter about nomination petitions and filing fee will prevent this occurring.

"And even where long ballots did exist, campaigning was easy and effective for the type of candidate who had a local reputation. It is true that, strictly speaking, the councilmen after election were never sure of just who their supporters were. This, though, had a salutary effect upon the councilmen and an equal advantage to the city. They had a city-wide iewpoint.

"P. R., it was argued before us, is a minority system. This is a mistaken noion. P. R. alone of the several methods f election in use assures that a majority f the voters will be represented by a majority of the councilmen. At the same ime it provides minority representation. Thus it comes the closest to the American ideal of majority rule and equality of oting power. It is the essence of true emocracy."

Senator Pepper Urges P. R. for Philadelphia

On December 29, 1938, former United tates Senator George Wharton Pepper of hiladelphia made a radio address in suport of the proposed Philadelphia charter hich has since been reproduced in leaflet orm by the Philadelphia City Charter ommittee, 726 Land Title Building. After eveloping the advantages of the city manager plan and a small council elected om the city at large, Senator Pepper ade the following plea for P. R.:

"The third point which I wish to emphasize is that under the system of proportional representation the council would be much more truly representative of all the people. Minority groups would have representation in proportion to their voting strength. The political party supported by a majority of the voters would therefore have a majority in the council but not a monopoly. Opposition would not be suppressed to smoulder as resentment but would operate openly as a balancing force.

"I doubt if anybody believes more firmly than I do in the importance of a two-party system in a representative democracy like ours. In advocating the election of councilmen by proportional representation I am not advocating something which will weaken the parties but something which will strengthen both of them by forcing each to prove its worth to the voters as a justification of its ambition to be the majority party. Government is never so good and a political party is never such an effective instrument of government as when it has to compete with a strong opposition and prove by its record that it is entitled to the confidence of a majority of the voters.

"In my opinion, as a strong party man, proportional representation in council will operate to put both parties on their mettle to compel each of them to watch its step and will make the city an exhibit of party government at its best. I could cite to you striking illustrations of the way in which proportional representation has worked in precisely this manner. I accordingly commend the proposed charter to members of both the great political parties and I urge the leaders of both of them to advocate its adoption by the legislature."

Providence Considering P. R.

A proposed P. R.—city manager charter for Providence, patterned in general after the model city charter of the National

Municipal League, has recently been introduced in the Rhode Island General Assembly. If the bill is passed, the charter will be submitted to the voters of Providence for adoption.

The charter was prepared, and support for it is being organized, by an ably led Charter League, of which Edward S. Brackett, Jr., is executive secretary, with headquarters in the Turks Head Building.

Timely support to the P. R. feature of the charter—and to the principle of a referendum on the city manager plan also—was given by the newly-elected mayor of Providence, John F. Collins, when he assumed office on January 2nd. The following is quoted from his inaugural address:

"The 50,000 citizens whose votes made me mayor want a city government that is more representative of and responsible to the individual citizen than is the case under the system established by the present city charter and its numerous amendments.

"They believe that the present ward system, in which the city is arbitrarily divided into districts which are shuttled out of one ward and into another as the purposes of political party organizations familiarly known as 'machines' call for the shuffling of voters from one ward to another, in order to give one machine or the other political partisan advantage, is the very opposite of a system designed to give the people equitable and honest representation in their municipal government. The fact that some wards are out of proportion to the population of other wards produces an inequality of representation which is gerrymandering.

"Wholly by accident, the two political groups in the city are represented in the City Council in proportion to the numbers of voters in such groups. But this is an accident, let it be repeated. The system itself lends itself to an operation under which the minority group could be excluded from all representation in this City Council. A one-vote majority in each ward would make the City Council either all Republican or all Democratic. In other words, thirteen electors in thirteen wards can exclude from representation in the city government one-half of the whole voting population, less those thirteen electors. And this can continue election after election. This should not be so.

"A reform in this phase of municipal government calls for the introduction of a system founded on a different principle from that which underlies the present majority vote in ward system.

"Speaking again as a spokesman for the 50,000, I am not commissioned to say that any particular system is acceptable to all the voters of the city. It is their rig to pass judgment in properly conducted referendum on any proposition to establish a new city charter in this city. But it is my privilege to recommend to the consideration of the City Council and the citizens of Providence the proposition of introducing one of the systems of proportional representation in the election of the city government. One nation in the world, the nation that most of us know as Ireland (Eire), elects its national and municipal government under one of these systems, and the largest city in the United States, New York City, elects its City Council under one of such systems.

"I indorse the system without presuming to select the particular system which may carry that principle into application. I recommend that a proper study of the whole matter be made by some appropriate agency to be created by the City Council. . . .

"I am not prepared to say that this city should be administered by a city manager, however chosen, but I do believe that an act of the General Assembly should be secured enabling an appreciable number of the citizens of Providence, if in favor of proportional representation, city manager, or other suggested change in the city charter, to have an opportunity to submit their proposition to a referendum of all the voters of Providence."

Two More Westchester P. R. Cities?

Following the adoption of P. R. by Yonkers as part of its new city manager charter, two of the other three cities in Westchester County, New York, are giving serious consideration to its adoption.

In New Rochelle a nonpartisan proportional representation committee worked actively against the proposed constitutional ban on P. R. at the fall election and rolled up a four-to-one majority against t in that city, as compared to a two-and-a-half-to-one majority in the county and state. The committee is now preparing a P. R. charter amendment and will circulate a petition to put it on the ballot next fall. The amendment will not include the city manager plan as in Yonkers, ince New Rochelle has the manager plan already. It will include a nonpartisan ballot, which was adopted some years ago by the people of the city as part of their original city manager charter and subsequently repealed by the city council without referendum.

The other city is White Plains, the ounty seat of Westchester County. There he Democratic party announced on Janary 14th that it intended to circulate etitions to put a P. R. charter amendment on the November ballot. "We want o secure for the people of White Plains he right to representation," said Alphonse . Brisson, vice-chairman of the Democratic city committee. "Now the Democrats oll about 40 per cent of the vote and e have no representation in the common ouncil or in any of the city departments." White Plains elects a mayor and six counlmen at large.

IOME RULE FOR COUNTIES CONTINUES ITS PROGRESS

(Continued from Page 95)

ıe former is of primary imporınce in urban areas and the latter is chiefly a rural movement, the difficulties should not be insurmountable.

Like municipal home rule and with like justification the movement in many cases is the result of urban counties wishing to escape the control of state legislatures dominated by rural elements. There is no doubt that when given broad powers, the counties may develop variations in form and diversity in procedure. But only through such variation and diversity can experiments and improvements take place.

One of the great problems of the moment is not that of diversity but rather that of encouraging the counties to use the power which is theirs. Only in so far as they are able to demonstrate their capabilities in performing their functions and in absorbing new functions thrust upon them will they be allowed to continue as major units of local government. If they can do this, no counter-trends in the form of tax and debt limitation laws and increased administrative supervision over the affairs of counties will destroy their fundamental necessity.

The county home rule movement will continue to be worthy of our best thought and attention for its value as a method of stimulating popular participation in local government.

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zation and Administration of County Government in North Carolina. By Institute for Government Research, Brookings Institution. Raleigh, Office of the Governor, 1930. 152 pp.

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Reorganization of County Government in Ohio. Report of the Governor's Commission on County Government. Columbus, 1934. 190 pp.

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Administrative County Government in South Carolina. By Columbus Andrews. Chapel Hill, University of North Carolina Press, 1933.

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County Government and Administration in Texas. By Wallace C. Murphy. Austin, University of Texas, 1933. 334 pp.

County Reorganization in Texas. By C. A. Jay. Dallas, Southern Methodist University, Arnold Foundation, 1934. 19 pp.

Urban Local Government in Texas. By Roscoe C. Martin. Austin, University of Texas, 1936. 357 pp.

Report of the Commission on County Government to the General Assembly of Virginia. Richmond, Division of Purchasing and Printing, 1931. 112 pp.

A Further Report on Progress in County Government and Consolidation. Submitted to the Governor and General Assembly of Virginia. Richmond, Division of Purchasing and Printing, 1936. 211 pp.

A Cooperative Program for Improved County Government in Virginia. By Raymond B. Pinchbeck. *Virginia Municipal Review,* January 1939.

Can Local Self-Government in Virginia Counties Be Saved? By Raymond B. Pinchbeck. *Virginia Municipal Review* April 1938.

County Boards Not Representative By G. S. Wehrwin. *Wisconsin Taxpayer* March 15, 1934.

See also, Yearly Index to NATIONAL MUNICIPAL REVIEW.

Recent

Books Reviewed

EDITED BY ELSIE S. PARKER

Tax Relations Among Govern- ental Units. By Roy Blough, etc. New ork City, Tax Policy League (Annual mposium Papers, 1937), 1938. vi, 226 . $2.75.

During the closing days of 1937 the x Policy League conducted a symposium Atlantic City, New Jersey, on the gen- al subject of tax relations among the rious governmental units of the United ates. More than a dozen—sixteen to exact—of the country's leading special- s in taxation and governmental organiza- n took part in this discussion. Their pers are printed in this volume, with a reword by Seabury C. Mastick, chair- n of the New York State Commission the Revision of the Tax Laws and of committee which arranged the program. 'he old theoretical ideal of having each it of government raise the revenues essary for the maintenance of the func- ns which it administers is naïve and out- ded," says Mr. Mastick, "inasmuch as clashes with the more modern concept t governmental functions should be as- ned to those units which can most effi- ntly perform them, and that taxes should levied by governmental units capable of essing and collecting them effectively." he sixteen papers are arranged under r general heads: federal-state tax rela- ns, interstate tax relations, federal and e aid, and control of local finance. The r papers relating to federal-state tax relations are by Franklin Spencer Edmonds, Carl Shoup, James W. Martin, and Robert E. Hatton. They deal with such problems as tax conflicts, coöordination of tax policies, and reciprocal immunity. Interstate tax relations are also covered by four papers prepared by Tipton R. Snavely, Harold C. Ostertag, Albert Lepawsky, and Henry F. Long. These papers are devoted to interstate coöperation and reciprocity. Federal and state aid is dealt with in three papers by Roy Blough, L. László Ecker-R, and William H. Stauffer. The subjects specifically covered are the relative place ot subventions and tax sharing, the basis ot sharing taxes, and state aid goals. Finally, state control of local finance is treated in five papers by Wylie Kilpatrick, Howard P. Jones, Alfred Willoughby, Rowland Egger, and Philip H. Cornick. These papers deal with state-local financial relations, state restrictions on local financing, governmental reorganization and intergovernmental relations, and state planning and future local revenues.

The papers as a whole hang together unusually well, much better than one would ordinarily expect in a symposium. They are all quite readable, and each makes some contribution to the general subject. The volume should find a place on the bookshelf of everyone who is interested in tax relations among our several governmental units. A valuable bibliography is appended to the papers. The volume might have been somewhat improved by the addition of an index.

A. E. BUCK
Institute of Public Administration

The Government of the French Republic. By Walter R. Sharp. New York City, D. Van Nostrand Company, 1938. ix, 373 pp. $1.75.

French political institutions have long held a special attraction for American students of government. This is not surprising. France, "the most democratic of all the democratic great powers, and the least industrial of the industrial great powers," offers firmer encouragement to equalitarian sentiment than we find elsewhere. Moreover, her political evolution has effected a unique blend of governmental centralism and social localism, giving rise to both legislative supremacy and a body of administrative law defining carefully the inter-relations of public authority and individual freedom. Still, since the appearance of Middleton's *French Political System* in 1932, we have been waiting for an equally discerning analysis of that France put on the defensive within and without by the collapse of the Versailles order. Special studies by Lindsay Rogers, R. K. Gooch, Walter Sharp, and others have partially bridged the gap, but the present volume is the first to aim at a totality view. Ever since it was announced to be in the offing, its publication has been expected with high hopes. No greater compliment is possible than to say that the book does measure up to these expectations.

Professor Sharp has experimented with a novel approach to the subject matter, developing "realistically what may be called the functional cycle of political action." In following out this method of presentation he has successfully and instructively integrated the material. Grouping the major problems of contemporary French government and politics in eleven chapters, he deals with: (1) France as a national community, (2) the historic foundations of government, (3) popular representation, (4) the policy-making process: leadership and planning, (5) the policy-making process: parliament, (6) instrumentalities of administration, (7) the centralized "police" state, (8) economic *étatisme,* (9) social welfare services, (10) the enforcement of official responsibility, and (11) French democracy in a troubled world. The volume is closed by a well arranged bibliographical note (pp. 357-367); one strange omission is Stefan Riesenfeld's "French System of Administrative Justice," *Boston University Law Review,* vol. 18, pp. 48-82, 400-432, and 715-748, January, April, and November, 1938—the only extensive treatment of the subject available in English.

Readers of this REVIEW will probably turn with particular interest to Professor Sharp's discussion of French administrative organization. He gives an accurate picture of the department setup, interdepartmental coördination and direction, public personnel, and budgetary planning. Local government is somewhat under-represented, and viewed primarily from the angle of the central authority. A broader appraisal will be offered by the author in *Local Government in Europe* now in press—a volume on which, under the stewardship of William Anderson, Professor Sharp has joined forces with R. K. Gooch, Bertram W. Maxwell, H. Arthur Steiner, and his present reviewer. An integral part of France's administrative system is her methodically developed administrative law. The section devoted to judicial control of administrative behavior is both concise and comprehensive; it should find in this country the attention it deserves. While France today is faced with prospects "appalling to contemplate" (p. 353), the author's sympathetic and penetrating account distinguishes itself favorably from the swelling chorus of those who aid and abet dictatorship by predicting the doom of European democracy.

FRITZ MORSTEIN MARX
Harvard University

Civic Life in Milwaukee, 1937. Annual Consolidated Report of the Common Council. By Richard E. Krug and Helen Terry. Madison, Wisconsin, Municipal Reference Library, 1938. 80 pp.

Recent political science has tended to de-respectabilize the neighborhood. Behind textbook subheads about the efficiencies of centralization lie veiled sneers at those vestiges of the neighborhood in government called the "ward" or the "district." Now the city of Milwaukee seems determined, at least in some degree, to reverse the trend. This new annual report, which looks like a cross between *Esquire* and a builder's prospectus (it measures eleven by fourteen inches and has a highly colored cover and heavy slick paper) deliberately glorifies the ward system by printing separate large colored street maps of every ward in town, with appropriate accompanying statistics. Apparently the idea is to bring government back alive to the citizen by reminding him of the relationship between the place in which he lives and the far-away place he calls city hall. And not a bad idea, either.

M. R.

Knowing the Tax Department and the Tax Commission of the City of New York. Second Edition. By William Stanley Miller. New York City, The Tax Commission, 1938. 66 pp.

From the split infinitive in its foreword to its refusal to be known as an "annual report" to its employment of the question-and-answer method of exposition, this pamphlet is an interesting and intelligent departure from the traditional. There are two quoted paragraphs from Cooley on Taxation to supply the legal background and a well conceived brief reminder of the kinds of municipal services which make the tax bill a bill for services rendered. The text represents an apparently success-ul effort to answer the taxpayer's questions about the mechanisms and controls of the taxpaying process.

M. R.

The Airport Dilemma. By American Municipal Association and American Society of Planning Officials. Chicago, Public Administration Service, 1938. vi, 46 pp. $1.00.

This is the first report of its kind in this country and represents a joint effort on the part of two national associations operating in the field of government and serving officials in all parts of the United States.

The report describes the growth of American aviation, gives facts and figures about municipal airports, and discusses some of the major questions which have arisen in connection with their financing, including the relationship of state and local units to the federal program of airway and airport development.

Under "Planning Airport Development" are analyzed the factors to be considered, the part to be played by the new Civil Aeronautics Authority and other federal agencies, position of state and local planning agencies and other groups, official and private, factors bearing upon airport location and upon control of land use adjacent to airports, and many related subjects.

Additional Reports Received

Assessments

Papers and Reports Presented at the Fifth National Conference on Assessment Administration. (Contained in November 1938 issue of *Municipal Finance.*) Chicago, Illinois, National Association of Assessing Officers. 76 pp.

The Menace of Expert Appraisals to Standardized Assessments. By John A. Zangerle. 1938. 22 pp. (Apply to author, Auditor of Cuyahoga County, Cleveland, Ohio.)

Personnel

Personnel Administration and Procedure as installed in the Indiana Department of Public Welfare and Unemployment Compensation Division. Chicago, Illinois, Public Administration Service (Publication No. 61), 1938. 90 pp. $1.50.

Training in the Public Service in New York State. Program and Policies. Albany, New York, The University of the State of New York Press, 1938. 20 pp.

Training Program for Assistants in the Personnel Department. Knoxville, Tennessee, Tennessee Valley Authority, Personnel Department, Training Division, 1938. 37 pp. mimeo.

Policemen and Firemen

A Model Records and Reporting System for Fire Departments. By De Wayne E. Nolting. Chicago, Public Administration Service (Publication No. 60), 1938. 78 pp. $2.00.

Milwaukee's Police Department. Milwaukee, Citizens' Bureau of Milwaukee, 1938. 25 pp. mimeo.

Recruitment of Policemen. By Donald C. Stone. Chicago, International Association of Chiefs of Police (Bulletin No. 1), 1938. 28 pp. Fifty cents.

Taxation and Finance

Analysis and Comparison of Annual Yields of Those Revenues Administered by the Department of Finance and Taxation of the State of Tennessee. Nashville, Tennessee (Research Report No. 36), 1938. 44 pp. mimeo. $1.00.

Appropriation and Control of Funds for State Printing. (Preliminary Report), **State Financial Administration in Kansas, Cost of Government in Kansas.** Topeka, Kansas, Research Department, Kansas Legislative Council (Publications Nos. 78, 81, and 83), 1938. 35, 46, and 5 pp. respectively, mimeo.

Cost of Government in Indiana (Volume IV). Indianapolis, Indiana, Indiana Taxpayers Association, 1938. 92 pp. mimeo.

Financial Statistics of Local Governments in Georgia. By Lloyd B. Raisty. Athens, Georgia, University of Georgia Press, 1938. xii, 355 pp. $1.50.

Financial Statistics of Local Governments in Oklahoma for the Fiscal Year Ending June 30, 1937. Oklahoma City, Oklahoma, Oklahoma Tax Commission, 1938. 155 pp. mimeo.

Revision of the Illinois Revenue Act. Springfield, Illinois, Research Department, Illinois Legislative Council (Publication No. 6), 1938. 105 pp. mimeo.

Taxes. Questions and Answers on State and Federal Taxes Levied in Wisconsin. Madison, Wisconsin, The Wisconsin Taxpayers Alliance, 1938 (third edition). 35 pp. Twenty-five cents.

Tax Payments and State Aid in Missouri by Counties, 1931-1936-1937. St. Louis, Missouri, Chamber of Commerce, 1939. 32 pp. mimeo.

The Problem of Taxation in New Hampshire. Edited by Thorsten V. Kalijarvi. Durham, University of New Hampshire, 1938. (Lectures delivered before the first Institute of Public Affairs of the University of New Hampshire.) 58 pp.

Wisconsin's Taxes and State Aids. Wisconsin's Property Tax. Wisconsin's Utility Taxes. Madison, Wisconsin, Wisconsin Tax Commission (Bulletins 85, 86, and 87), 1938. 38, 27, and 60 pp. respectively, mimeo.

Utilities

Public Utility Taxation in Ohio. By James Carlton Dockeray. Columbus, Ohio, The Ohio State University Press, 1938. xiii, 200 pp. $2.40.

Service Charges in Gas and Electric Rates. By Hubert Frank Havlik. New York, Columbia University Press, 1938. 234 pp. $2.75.

NATIONAL MUNICIPAL REVIEW

Merit System Stages Comeback in Connecticut

Patterson H. French

Iowa Tries Homestead Tax Exemption

C. A. Crosser

One in Every Nine Works for the Government

Edward R. Gray and William R. Divine

Michigan Surveys Its State Government

Toledo Seeks Good Councilmen

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National Municipal League

League's Business

League Members in the News

C. A. Dykstra, president of the University of Wisconsin and of the National Municipal League, has recently been appointed to the committee of one hundred which will assist Warner Brothers in the choice of significant chapters of the country's history for the studio's series of historical features. Other members of the committee include former President Hoover and Dr. Ray Lyman Wilbur, president of Stanford University.

John G. Winant was sworn in as director of the International Labor Office at the opening session of the governing body's regular quarterly meeting at Geneva last month. Mr. Winant, formerly governor of New Hampshire, is a member of the League's council.

Rowland Egger, editor of foreign news for the NATIONAL MUNICIPAL REVIEW, has just been appointed by Governor Price of Virginia as director of the state budget, in charge of administration. Dr. Egger is professor of political science at the University of Virginia and a director of the university's Bureau of Public Administration.

Allen H. Seed, Jr., a member of the League's council, has recently become executive vice-president of the Minneapolis Civic Council. Mr. Seed was formerly executive secretary of the City Manager League of Toledo.

League Survey Recommends Manager Government for Bar Harbor, Maine

Bar Harbor, Maine, famous summer playground of America's wealthiest families, could save at least $30,000 of its present annual budget of $278,000 by adopting the town manager form of government, the Consultant Service of the National Municipal League reported in January.

Under the direction of Howard P. Jones, director of the Service, and Paul A. Volcker, town manager of Teaneck, New Jersey, the Consultant Service has recently completed a survey of the town government of Bar Harbor, made under the authorization of the local Board of Selectmen, to which the ninety-page report is addressed, but financed by a group of citizens.

Calling Bar Harbor's present form of government "as inappropriate as a covered wagon on a modern express highway," the report lays most of the waste to lack of planning and direction and points out there is no way in which there can be any planning or continuing leadership under the present setup. The report contemplates no change in the town meeting or the Board of Selectmen. Rather, additional powers would be given to the board under the proposal.

Municipal debt was found to have increased 199 per cent in ten years. The survey reports that "if Bar Harbor had refunded all its outstanding borrowings in 1937 under competitive bidding in the Boston money market, interest charges might have been reduced from $9,722 to $7,570, a saving of about $2,150 in one year."

It is revealed that the summer residents and winter population of the exclusive resort have demonstrated an unusual promptness in paying taxes.

Part of a $16,000 poor department deficit for 1937 is blamed on the "haphazard and unscientific manner in which supplies are apportioned to the needy." It is charged that "prices paid by the poor department for groceries and other basic supplies are higher, sometimes considerably higher, than is necessary. The overseer takes a monthly average of prices of all standard commodities quoted by each store in town. The average price of each commodity is then set as the price which the poor department will pay. In one case, the price paid for an article was as much as 91 per cent higher than the lowest retail price.

"Paupers are given orders on special stores, and the amount of poor department business given to each store is apparently determined in proportion to the amount of taxes paid by that store. One chain grocery store whose prices seem to be uniformly lower than all the other stores in town is apparently given no business whatever."

The town highway department is criticized because "it frankly performs a double function: (a) construction and maintenance of streets, highways, and sewers; and (b) employment of many need individuals in order to keep them off the pauper lists. At present taxpayers have no way of knowing just how much is being spent for purely relief purposes, nor how much less highway functions would cost if the department did not have to use sub-standard labor."

Sixty-one separate recommendations are made for the improvement of Bar Harbor government, but the report insists that the adoption of the town manager form "supersedes and precedes the rest. Bar Harbor needs a single trained executive head to tie together into cohesive, smoothly functioning professional whole."

Howard P. Jones, *Secretary*

Letters to the Editor

To the Editor of the National Municipal Review:

Much of the hue and cry raised by some of our well meaning administrators against what is viewed by them as "interference" by the judiciary with their administrative discretion should be discounted. It must be admitted that up to recent years there was little complaint on that score. With the expansion of administrative agencies, necessitating greater delegation of rule-making power and broader field of discretion, greater surveillance by the courts has undoubtedly become necessary to prevent illegal action or abuse of discretion.

In a recent address before the National Municipal League, one of the civil service commissioners of a large city complained rather bitterly of the seeming interference by some of the justices of the courts. Whether the commissioner was justified in his criticism of the courts it is not possible, nor even necessary, for us to say. It is, however, a matter of public concern whether it serves any useful purpose for an administrator to deliver a public tirade against the judiciary every time the court disagrees with the administrator's interpretation or construction of the law. Undoubtedly some of the administrators in their zeal and impatience to accomplish reforms or improvements go much beyond legislative or constitutional authority. The temptation is great on the part of the administrator to "legislate" rather than administer within the authority already granted. This often leads to legal complications.

Dispassionate and disinterested study of the fields of lawful administrative discretion and proper judicial review is the road to successful solution of the problem; not intemperate scolding and acrimonious criticism.

H. Eliot Kaplan, *Executive Secretary*

National Civil Service Reform League

National Municipal Review

Editorial Comment

The Advice of a Wise Father

WASHINGTON, capital city of the world's foremost democracy, is seething with the discontent of disfranchised voters who for generations have been "relieved" of the responsibilities of self-government.

Pressure of various groups and individuals who feel the situation is scarcely a shining example of local self-government, regardless of the special considerations which led to establishment of the present system, finally brought about a recently completed study by a professional survey organization.[1]

Inevitably the administrative experts recommended a city council which would appoint a well paid, highly qualified, single administrator who would be responsible to the council—in other words an arrangement commonly known as the council-manager plan.

Those who have been so glibly using George Washington's pronouncements about other matters must have been just a little startled to find the survey report quoting him, as of 1792, as follows:

"It has always been my opinion, and still is so, that the administration of the affairs of the federal city ought to be under the immediate direction of a judicious and skilful superintendent, appointed by and subject to the orders of the commissioners (who, in the eye of the law, are the responsible characters), one in whom are united knowledge of men and things, industry, integrity, impartiality, and firmness; and this person should reside on the spot."

Richard S. Childs, chairman of the council of the National Municipal League, is customarily credited with being the originator of the manager plan. Perhaps he will be willing to yield the honor to the "father of his country."

A Congressman Goes Back Home

REGARDLESS of how you feel about Maury Maverick, you've got to admit he's no piker. When he was defeated last fall for re-election to Congress, he wasn't looking for a soft job which, it is claimed, could have been his for the asking. He assigned himself an outstandingly difficult task — bringing "good government" to San Antonio, Texas, "home town" to him and to his forbears for several generations.

A man who has been as active in public affairs, both at home and in Washington, as has Maury Maverick is well able to define

---

[1] Griffenhagen and Associates, Chicago.

"good government," of course; but it is interesting to know that, before going home, he spent weeks in strenuous activity consulting leaders of notably well governed cities, attending meetings of governmental authorities such as the National Conference on Government at Baltimore, seeking out and consulting the ablest municipal administrators.

When he started back for San Antonio he told friends:

"It makes no difference to me who runs for mayor, just so it is someone who gives adequate assurance that San Antonio will achieve good government—and by good government I mean certain specific administrative structures and practices which have come to be recognized as sound and productive of good government."

Recently a "Fusion" ticket, including the former congressman as candidate for mayor, was announced in San Antonio. The "Fusion" platform has eight planks:

> FIRST: We pledge an honest, efficient business administration. The taxpayer's money will not be used to build a political machine for any of us, or for any other group.
>
> SECOND: The Health Department will be organized on such a plan, and operated in such a way as to secure and maintain the approval of the Federal and State Health Departments, and of the local medical profession. This department will be put on a civil service basis, modeled after that of the Post Office Department of the national government.
>
> THIRD: We shall endeavor to balance the budget of the city, and to put the city on a cash basis. A better and more efficient administration can be given for less money than is at present being expended.
>
> FOURTH: An intelligent system of accounting will be installed such that the financial condition of the city may be ascertained at any time: the ordinances of the city of San Antonio will be codified (this has not been done since 1898); building and engineering data will also be codified, and a new building code will be made.
>
> FIFTH: The state laws and city ordinances shall be uniformly and fairly enforced in all parts of San Antonio. Public law and order shall be maintained at all times, and this shall include suppression of ordinary crime violence of any kind, gambling, and trespass of property. We shall take vigorous steps to reduce the inexcusably high rate of automobile accidents and fatalities which prevail at the present time.
>
> SIXTH: We shall establish genuine civil service for the Fire and Police Departments. It will be civil service modeled after that of the federal government.
>
> SEVENTH: We pledge ourselves to take such action as to guarantee the submission of a city manager charter to the people of San Antonio, during our first term.
>
> EIGHTH: We pledge that the recreation parks and swimming pools of San Antonio will be made sanitary and be properly supervised and that they are kept clean and fit for human use, and that such regulations are made so that all citizens shall receive the benefit of their use.

In the alphabet of anyone who knows municipal affairs, this platform should spell good government, especially the forthright pledge in plank number seven to work for adoption of the most modern non-political system of administering local services.

The former congressman's apparent intention of taking a leaf from the book of Mayor La Guardia's brilliant record in New York is just one more indication that persons in public life are coming to realize that good government is good politics.

Merit System Stages Successful Comeback in Connecticut

After eighteen years of spoils Nutmeg State turns again to merit system; second year demonstrates its steadily increasing effectiveness.

PATTERSON H. FRENCH
Yale University

THE state of Connecticut is now in the second year of a unique experiment. Like the boxer who attempts a comeback after a knockout and years of retirement, the Nutmeg State is now operating under the merit system for the second time, eighteen years after it returned to the spoils system by repealing its first merit law.

With true New England conservatism Connecticut waited a generation before it followed the pioneering efforts of New York and Massachusetts by enacting its first merit system statute in 1913. This law was on the statute books until 1921, but its effective life began to ebb almost as soon as it started. Indeed, emasculation by successive legislatures went so far that repeal in 1921 was the barest kind of formality.

Unlike the boxer, whose comeback trail is usually short and rocky, Connecticut's second attempt seems from the beginning to have been more successful than her first. The law which was passed by the 1937 legislature has been described by the personnel director as "one of the most progressive civil service statutes in the country." Up to the middle of October 1938, 127 examinations had been given to 13,735 candidates, and the Personnel Department seems to be moving through its second year with steadily increasing effectiveness.

The present state merit system owes its existence to the Connecticut Reorganization Commission of 1935, to the support of Governor Wilbur L. Cross, and to the efforts of several active citizens' groups. The commission, led by Colonel Thomas Hewes, a prominent figure in state governmental affairs, Dean Charles E. Clark of the Yale Law School, and Dr. Benjamin P. Whitaker, formerly of the Economics Department of Yale University and since appointed state budget director, made sweeping recommendations to the 1937 legislature for reorganization of the state government and included a vigorous statement urging personnel reform.

The citizens' group which has been most active in this field has been the Connecticut Merit System Association. This organization traces its ancestry back to 1881, when the New Haven Civil Service Reform Association came into being. It became the Connecticut Civil Service Reform Association in 1901, the Connecticut Civic Association in 1926, and the Connecticut Merit System

Association in 1936. With chapters in all of the larger communities of the state and in many of the smaller ones, it has been influential particularly in the last three years in arousing public interest and in encouraging a somewhat reluctant state legislature to view personnel reform in a favorable light. Support has come from other groups, particularly the League of Women Voters and a group of Bridgeport city officials headed by Mayor Jasper McLevy, whose Socialist administration has accomplished sweeping reforms there.

MERIT MACHINERY

The law which was enacted in 1937 has several interesting features. The personnel director, who is appointed by the Governor with the consent of the Senate at a salary of $7,500 per year, is placed in the classified service without limitation as to the length f his term and can be removed by the Governor only for "misonduct, incompetency, or neglect f duty." He is chosen from a st of "eligible persons" selected y the Advisory Personnel Committee which is described below. No civil service commission of the sual kind is set up, but ten "administrative heads of departments" are named by the Governor to be an Advisory Personnel ommittee to "advise and assist e personnel director in the formation of rules and regulations . . . and in the establishment and maintenance of procedure and technique relating to personnel administration."

One recommendation of the Reorganization Commission which deserves special mention was that the personnel organization, a powerful budget bureau, and a centralized purchasing unit be grouped under the Commissioner of Finance and Control. This development of what A. E. Buck describes in his recent monograph on state reorganization[1] as the "fiscal control" pattern of organization was achieved when the 1937 legislature created the three necessary units and placed them in the Department of Finance and Control. Strength was added to the arrangement by a provision that the creation of new positions and the filling of vacancies must be approved as necessary by both the budget and the personnel units.

Other provisions of the law follow a familiar pattern. Existing employees were covered into the system without examination. (The personnel director's first annual report suggests that a qualifying examination ought to be required later if such an employee asks to be put on the re-employment list after having been laid off because of abolition of his position or voluntary separation from the service.) Examinations are to take a form which will test the "qualifications, fitness, and ability of the persons tested to perform the duties of the class or position to which they seek appointment." Formal educational requirements may not be made, but this has not prevented the use of education as an alternative for other experience. Two years of residence in Connecticut is required except where "no qualified resident of the state shall apply." Veterans' preference is granted in the usual form, with credits of 10 per cent for veterans "eligible for disability compensation" and 5 per cent for all others, provided that a passing grade is obtained before the application of the credit.

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[1] A. E. Buck, *Reorganization of State Governments in the United States,* New York, Columbia University Press.

THE LAW IN OPERATION

The law went into effect immediately upon being signed by Governor Cross on May 12, 1937. Ten department heads were selected to serve as the Advisory Personnel Committee and from three names submitted by that group, the Governor chose Harry W. Marsh to be personnel director. Mr. Marsh came to his new position from New York City, where he had been in charge of personnel matters for 13,000 employees as deputy commissioner of public welfare since 1934. His experience with public personnel problems has been long, as he served the National Civil Service Reform League from 1912 to 1928, first as assistant secretary and later as executive secretary. Between 1928 and 1934 he was civic director of the New York City Club.

Mr. Marsh took office on July 1, 1937, and the first examinations, for state policemen and for the staff of the Personnel Department, were given on July 24th and 31st. Between that date and October 15, 1938, applications were received from 20,347 persons, 127 examinations were held for 13,735 candidates, 6,089 persons were placed on employment lists, and 1,093 persons were actually appointed to positions. (There were 11,756 employees in the state service on October 31, 1938, of which 10,264 were in the classified service.) These figures do not include the review of qualifications of certain unskilled and custodial workers who were not appointed by competitive examination, nor the ratification of the appointments of more than a thousand temporary workers.

In general, the Personnel Department has followed the usual pattern in organizing its machinery. Qualifications and requirements for the various positions are determined in consultation with department heads. Typically, the requirements include a specified number of years of experience in the field for which the candidates are being recruited, with a provision for the substitution of education in relevant subjects above grade school or high school level for part of the necessary experience. Candidates are rated on their records, a written examination and an oral examination in most cases, although the oral examination has been omitted for some of the routine positions and a "technical oral" examination has been given in lieu of the written one in some specialized fields and for certain positions in the higher brackets.

EXAMINING COMMITTEES

One feature which seems to have met with considerable success is the use of examining committees of individuals who have been recruited largely from outside of the state service. These committees, of citizens who serve without compensation, have been used for the preparation and grading of both written and oral examinations for positions where the department, with its small budget and limited staff, was not equipped to judge the merits of candidates for technical jobs.

According to the *First Annual Report* of the personnel director, ifty-three committees served in he first sixteen months of the department's operation. A detailed abulation which was submitted with the report shows that 101 different individuals worked on hese committees, twenty-six of hem serving more than once. Members were recruited from many sources; the various eduational institutions in the state ontributed thirty-one, while thers were drawn from the state ervice and from private activities hich included law, engineering, medicine, social work, accounting, and many others.

Committees have consisted usually of three members. Two examinations were prepared by committees of one, while the largest had eight members. In most cases the statement of requirements has been prepared by the Personnel Department and the head of the agency concerned, the examination has been drawn up by the committee after consultation with the department's staff, the written examination has been given by the department and graded by the committee, and the oral has been given by the committee augmented by a member of the department.

It seems likely that the use of the examining committee will become less frequent as the initial period of adjustment passes into long-term administration, in spite of the fact that there has been little question about its successful operation. If the Personnel Department is given funds to enlarge its staff it may employ people who are equipped to prepare examinations in some of the more important specialized fields. Also, there may be a limit to the number of private citizens who will feel that they can afford to donate their services to the state for the performance of duties which are sometimes onerous. On the other hand, observers both in and out of the state service feel that the committees have a distinct usefulness outside of the special functions which they perform. For one thing, the director's report pointed out that members of the committees have many valuable suggestions to make about examining practices. For another, there is value, real although intangible, in a process which informs members of the public at first hand about the operation of the merit system and which gives them a feeling of special interest in this field of state activity.

PIONEERING

One other phase of the examining technique should be mentioned because it is one in which the Connecticut group is likely to become recognized for its pioneering activity. This is the development of improved and refined methods of using rating charts to facilitate the grading of candidates in oral examinations. The leader of the work in this field is Miss Henrietta Fitch, now chief examiner of the department, who began her experimentation when she was handling personnel work in the State Labor Department. Using methods suggested by the United States Employment Service as a basis, the charts which are now being developed assist the examining officials in rating experience, personality, education, and other qualities which appear either in the candidate's record or at the oral examination. The charts provide weights in ascending scale for various lengths of "particularly valuable experience," "acceptable experience," and "related experience," and provide weighting scales for other qualities of personality, appearance, judgment, and the like which are judged to be pertinent to the position for which the candidate is applying. The system is not intended to be automatic, and new charts are prepared for each position, but the contribution in convenience and accuracy has already been substantial.

CLASSIFICATION AND SERVICE RATINGS

The merit system law provided that the classification system then in use should be studied "by the Legislative Council or the personnel director" and that a report should be made to the legislature in 1939. This has been, in the opinion of this writer, one of the least satisfactory parts of the administration of the system. The Legislative Council undertook this study with a small staff whose recruitment substituted political considerations for experience to an unfortunate degree. The resultant report of the council merely listed some six hundred titles of positions and left the problems of duties and compensation for future action, with the suggestion that this should be undertaken by the Personnel Department. Obviously, this suggestion should be followed and the department should be given the facilities to continue the work, particularly as that department has already had o specify titles, qualifications, nd salaries for the 127 positions or which examinations have been eld.

The law also provided that the ersonnel Department should ndertake the preparation of a ystem of service ratings. This is n its initial stage at the present ime, largely because the limitaions of time and resources did ot permit the overburdened staff o proceed faster with it. (The epartment has only four examers and an entire staff of fifteen, ith an annual budget of slightly ver $50,000.)

THE PROBLEM OF THE VETERAN

The perennial problem of eterans' preference is present in onnecticut as it is in any peronnel program. The personnel irector has made a revealing ompilation of the effect of grantg the 5 per cent and 10 per cent edits to veterans. This shows, r example, that in the tests for aims examiner, second grade, e thirty-two veterans who were mong the 170 passing candidates ere advanced on the eligible lists y an average of twenty-six places hen their extra points were dded. The man who was thirenth on the list moved up to th, the man who was thirtieth se to second, and the man who as 114th moved up eighty places thirty-fourth. In the ratings of aims examiners, third grade, the enty-nine veterans among the venty-five successful candidates advanced an average of nine places apiece.

This comparative advantage may be even more important in an examination where there are fewer successful candidates and fewer appointments as a result of the tests. In the examination for junior research assistant, a veteran moved from thirteenth place to fourth among twenty-four successful candidates and in tests for assistant electrical engineer, a veteran rose from eighth place to fourth out of nineteen who passed the examination.

The merit system law recognizes the questionable character of the present system of veterans' preference by providing that a study of the problem shall be made by the Legislative Council for presentation to the 1939 legislature. At the time of writing this report there is no indication that any change will be made in the present arrangement. Indeed, there has been no audible criticism of it among legislators, in the Personnel Department, or from the citizens' organizations, apparently on the theory of letting sleeping dogs lie.

CRITICISM, VALID AND OTHERWISE

Various critics of the law and its administration have, of course, expressed themselves. The bulk of these criticisms seem to flow from two sources, both of which reflect more upon the accusers than upon the accused. In the first place, the evidence points strongly to attempts during the past year to start a whispering campaign among the beneficiaries of the old spoils system as a prelude to an attempt to repeal the entire law in the 1939 legislature. This campaign has met with little success, partly because Mr. Marsh's administration of the law left the campaigners with little to rely upon except their own imaginations, and partly because of the energetic work of the Connecticut Merit System Association in investigating and correcting unfounded statements about the operation of the law.

The second source of criticism grew out of incomplete information on the part of the public about the operation of the law. State employees were suspicious of it at first, perhaps on the theory that known political protection was better than the untested nonpolitical kind. Critics outside of the state service complained now and then that candidates failed who should have passed or vice versa or that requirements of age and education were discriminatory. It has been the kind of criticism which arises around any new governmental activity and in most instances a full statement of the circumstances which gave rise to the complaint has been sufficient to solve the problem. No case has come to the writer's attention which has raised a question in his mind about either the honesty or the competence of the Personnel Department.

The preceding comment on the critics of the new system is not intended by any means to suggest that Connecticut has made the amazing achievement of establishing a personnel Utopia in eighteen months. There have been various instances in which the coöperation of state departments with the law has seemed to be somewhat less than perfect. Although the writer has not yet had an opportunity to look personally into any of the complaints about the too-enthusiastic use of temporary appointments by department officials or their lack of sincere application of the "political activities" provision of the law, he is sufficiently aware of the element of human nature in politics to suspect that the smoke conceals some fire.

As to temporary appointments, the Personnel Department has faced a difficult situation. As the director pointed out in his annual report, the Department of Public Works needed one hundred additional employees and the Department of Labor (for its unemployment compensation program) needed more than one thousand even before the Personnel Department had been given time to complete its own staff. The problem was complicated by the fact that many of these positions were obviously temporary and by the fact that the periods of need for temporary employees did not always coincide with the statutory lengths of time for which such employees were allowed to serve. There is robably no way in which the law ould be drafted to prevent a department head from extending the iscretion which must necessarily e given him across the shadowy oundary line into political favorism. Perhaps the most important onsiderations are that the peronnel director states in his report that he has had "the cordial oöperation of all appointing uthorities," and that the inances of coöperation in the tryg inaugural period have been uch more numerous than most bservers expected them to be.

The problem of political acvity is another one in which rmal statutory provisions cant wholly substitute for a coerative spirit. However, in this se general agreement is exessed by the personnel director in his annual report, the new overnor in his inaugural address, d the various citizens' groups their public statements that the w could be clarified and engthened. Particularly the law ould be amended to insert a ovision, now missing, prohibitg the solicitation and collection political assessments from emyees in the classified service.

WHAT NEXT?

Naturally, the achievement of first objective by the battlers personnel reform has left them looking for new worlds to conquer. In this quest some difference of opinion has arisen between those who feel that present gains should be consolidated and others who want to make vigorous application of the principle of striking while the iron is hot. The first group expresses its philosophy in the program which has been adopted by the Merit System Association and which includes the strengthening of the "political activities" clause, passage of an enabling act for localities which may want to adopt the merit system later, adoption of a constitutional amendment embodying the basic principle of merit in political appointments, and the passing of merit system laws for four principal cities of the state. The second group, represented principally by the State Employees Association and Mayor McLevy of Bridgeport, supports this program and favors, in addition, the establishment of a Civil Service Commission, the selection of the top man instead of the choice of one from the top three, and the inclusion of the now exempt first assistants to department heads in the classified service. All of these changes will probably be presented for legislative consideration. At this writing there are not yet enough straws to show which way the legislative winds will blow.

Iowa Tries Homestead Tax Exemption

By C. A. CROSSER
Secretary, Des Moines Bureau of Municipal Research

Tax credit law proves popular with those who benefit under it, but many find addition of sales and income taxes burdensome.

TAKE away from John Homeowner the sales and state income taxes he pays, and then give back part of them, all of them, or even more than he paid, as a discount on the real estate tax on his home, and you have in substance the operation of the Iowa homestead tax credit law.

To express it in another way: about $11,000,000 out of the sales and income taxes paid by about 900,000 gainfully-employed persons in the state of Iowa is given to all taxing bodies to make up the loss they sustain by discounting an equal $11,000,000 from the real estate taxes of 300,000 homestead owners. In other words, taxes collected from 900,000 persons are distributed among 300,000 persons.

Here is the way this law operates. Twenty-five mills is deducted from the tax bill of every bona fide homestead owner in Iowa on the first $2,500 of his assessed valuation. Thus a Des Moines home owner who paid a 54-mill tax in 1938 received a 25-mill deduction, which cut his tax rate to 29 mills on the first $2,500 assessed value of his property. The farmer receives this same homestead tax credit up to $2,500 assessed value on the so-called "home"—forty acres including the farm buildings.

In taxing districts which have less than 25 mills, and there are many of them, the homestead owners receive tax credit for the full millage levy and therefore will pay no property tax at all if their assessed values are less than $2,500.

The city, county, school, and state taxing districts are content with this arrangement because they are reimbursed for the loss of this discount to homestead owners by receiving an equal amount from the state out of the sales and income tax funds.

This law has turned out to be one of the most effective means of substantially relieving the real estate tax of homestead owners which has been devised in any state. At the same time, it resulted in a complete double-crossing which the Iowa legislature gave non-homestead rea estate owners. This is because the sales and income taxes, which were authorized in 1934 by the Iowa legislature, with the promise in the title of the bill that they would "replace in part the tax on real estate," were diverted in 1937 to replace only the tax on homesteads. It was a case of a fin objective reached by a deviou means.

Here is the effect of this tax shifting plan upon different type of property owners.

1. The owner of a modes

homestead in a city, who has an income of $1,800 a year or less, finds that his property tax has been very substantially reduced—far more than the new 2 per cent sales tax he pays. Probably he pays little or no state income tax. He certainly benefits from this tax-shifting device.

2. The homestead owner with a substantial income and living in an above-the-average home also has received a substantial reducion, probably $62.50, in his real state taxes through the hometead tax credit. But his comfort s mostly illusory because he acually has paid more sales and ncome taxes than he has received ack through his homestead tax redit.

3. The many homestead ownrs in taxing districts which have ess than 25 mills, which include many small towns, pay absolutely o real estate tax. Few homes in he small towns are assessed up o $2,500. Such owner is in tax over.

4. To the owner of rented wellings and commercial propers the homestead tax credit alws no property tax discount. e finds himself holding the sack y paying a sales and income tax n top of his staggering propty tax. And he thought that te sales and income taxes were t replace some of his property txes.

The popularity of this law is poved by the fact that both Repblicans and Democrats seeking site offices in the 1938 elections were screaming for credit for its inception.

TAX REFUNDS MADE

Here is a brief history of its evolution. After several Republican administrations had failed in tax revision efforts, the Democrats, under Governor, now United States Senator, Clyde Herring, secured passage in the 1934 legislature of the so-called three-point tax law. These three taxes were the individual income, the corporation income, and the state sales tax. The sales tax was proposed primarily for poor relief and was to expire in 1937.

This law included a provision that a certain share of the taxes collected under it should be refunded or rebated to all property owners, thus carrying out the law's declaration that it was a "tax replacement" measure.

In the fall of 1935, $3,200,000 of these new taxes were distributed to the approximately 500,000 real and personal taxpayers, in the ratio of their assessed values to the total assessed values in the county and state, in the form of an actual check for a cash refund made out to the taxpayers. While these tax refunds were comparatively small, the astonishing sensation of having a portion of his taxes paid back to him very much exaggerated the actual benefits to the taxpayer. The next year, $4,000,000 was distributed among all property owners either as a discount from his property tax or as a cash refund.

As a retrenchment measure during the depression, the legislature in 1933 enacted a drastic tax reduction law which was to extend for two years. This cut taxes substantially in many communities although there was considerable wailing by city and school officials at the dire effects which actually did not transpire.

HOMESTEAD EXEMPTION LEGISLATION

When times got better, however, it was seen that it would be impossible to re-enact this tax reduction law. Therefore, appreciating the need of holding down real estate taxes, a group of legislators devised the first homestead exemption bill which was introduced in the legislature of 1935. The House and Senate passed this measure but it was vetoed by Governor Herring on the ground that the sales and income taxes had been enacted with the understanding that they would offset real estate taxes of all property owners and not just those who owned homesteads.

This same tax-shifting measure was again introduced in the 1937 legislature. It was passed by the legislature and received the approval of Governor Nelson G. Kraschel.

The argument which did much to secure the passage of this bill was the disclosure that non-resident property owners, like railroads and insurance companies, were receiving substantial refunds from the sales and income taxes to offset their property taxes. The following argument was heard:

"It isn't fair that the sales tax, which is paid by the poor people, should be used to lighten the property taxes of these non-resident corporations who contribute nothing to the state."

While such statement is a mixture of truth and fallacy, yet it had an appeal to the legislature.

So, for the last two years, all Iowa homestead owners have been receiving discounts in their property taxes amounting to 25 mills. This law has required considerable machinery to operate because homestead owners must file a claim for tax exemption each year.

Following are the number of homesteads and the amount of tax reduction for each of the past two years: 1937, 304,299 homesteads, $11,004,225 in refunds; 1938, 316,357 homesteads, $11,662,902 in refunds. It will b noted that there has been an increase of about 12,000 in th number of homesteads, which indicates that this law has, to small degree at least, accomplished its original purpose o increasing the number of home owners.

In 1938 there were 205,618 cit homestead owners who receive the homestead tax credit an 110,739 farm homestead owner This is approximately in the sam ratio as the total number

14,000 city and non-farm dwellngs and 221,000 farm dwellings.

A curious effect of this bill has een the comparatively large umber of Iowa homestead owners who have been relieved of all roperty taxes. In all taxing disricts which have a tax rate of 5 mills or less, homestead owners eceive a discount of their entire ax rate on an assessed value up o $2,500. From one-third to ne-half of the taxing districts n every county, chiefly in the ural localities, have tax rates of 5 mills or less. The exact numer of homestead owners in this tate who are thus relieved of all axes has never been computed. urthermore, these folks are sayng very little about this forunate tax status because the man ho pays little or no taxes is not n the habit of boasting about it ecause of the fear that some ther group will see that taxes re again slapped back on his roperty.

EXEMPTION POPULAR

Real estate dealers have been enthusiastic about the operation of this tax law because it has given them a splendid argument in selling dwellings to prospective home owners. This has been one of the reasons for the spurt in home building in Des Moines and other Iowa cities, which is of very great sociological and economic value to the state.

The weakness of the homestead tax credit act, viewed as a tax reduction device, is that it does not control expenditures by public bodies. Therefore, it may take only a few years before city, county, and school taxing districts, by increasing their operating activities, will offset all or most of the tax reduction granted homestead owners by this act. Also, it may come in conflict with the ambition of school people to set up a state school fund out of the sales and income taxes to provide better school facilities for weak school districts. However, it is doubtful that the legislature will assent to any substantial change in the homestead tax credit plan. Too many voters are enjoying themselves under it.

They Blow Out the Fires in Janesville

Three Janesville [Wisconsin] firemen proudly puffed out their chests as their mates called them "blow hards."

Called to a fire, the firemen found kerosene had leaked from a stove and was blazing on the lower part of it.

The three lined up, blew in unison, and out went the blaze.

Commented Chief Frank Murphy: "We planned it that way!"

Christian Science Monitor, February 21, 1939

One in Every Nine Works for the Government: A Review of Public Payroll

By **EDWARD R. GRAY** and **WILLIAM R. DIVINE**
Bureau of the Census

Salaries and wages of public employees, excluding relief workers, exceed five billion dollars — an eighth of all wages paid in the United States.

THE number of persons on public payrolls is a relatively unexplored subject of great potential significance. Current discussions of reciprocal tax exemption of government salaries, effects of the enlarging sphere of state and municipal activities, and continuing need for government economy point to the desirability for wider information on the subject of government employees and payrolls as an aid to well considered plans of action.

Extent of Public Employment.

In 1937 one out of every nine employees in the United States was in government service, even after excluding persons on work relief. Although it is popularly assumed that most government employees are in the federal service, actually over two-thirds of the 3,800,000 public servants in the United States are employed by state and local governments, while less than one-third are working for federal agencies.

The latest comprehensive estimate of government employees, published by the Bureau of Foreign and Domestic Commerce i its study of national income fo 1937,[1] places the number of pe sons working directly for state an local governmental units at 2,600, 000, while 1,200,000 were r ported in agencies of the federa government, including 300,00 officers and enlisted men in th army and navy. City payroll (including city schools) liste about as many persons as the en tire federal service, and almos equally as numerous as federa employees were the teachers an school employees of all state an local governments.

Trends in Public Employment Since 1929.

The total number of public em ployees in 1937 was about 3,800 000, compared with 3,200,000 i 1929. This increase of 17.5 pe cent in government contrasts wit a decline of 9.1 per cent in pr vate employment in the sam period, as estimated by th Bureau of Foreign and Domest Commerce.[2]

After 1929 employment in pr vate business declined, until b 1933 the cumulative dip fro the 1929 level had reached 28 p cent, but in the four followin years, 1934-37, over three-qua ters of this loss in private em ployment had been regaine Meanwhile government emplo

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[1] *Income in the United States, 1929-*
p. 36 (table 14).

[2] Ibid.

TABLE 1

GOVERNMENT EMPLOYEES[a] IN THE UNITED STATES, 1929, 1933, AND 1937

Source: United States Bureau of Foreign and Domestic Commerce, *Income in the United States, 1929-37*, Washington, November 1938, p. 36. (Original table has similar data for each year from 1929 to 1937 inclusive.)

	Number of employees (000's omitted)			*Percentage of 1929*		
	1929	1933	1937	1929	1933	1937
Total employees in United States	34,863	25,973	32,546	100.0	74.5	93.4
Total private employees	31,659	22,754	28,782	100.0	71.9	90.9
Total government employees	3,204	3,219	3,764	100.0	100.5	117.5
Federal	862	856	1,202	100.0	99.3	139.4
State	264	306	367	100.0	115.9	139.0
City	718	640	697	100.0	89.1	97.1
County, township, and minor units	269	260	298	100.0	96.7	110.8
Public education	1,091	1,157	1,200	100.0	106.0	110.0

[a] Part-time employees included at full-time equivalent. Work relief employees excluded.

ment had actually increased from 1929 to 1931 and was not below the 1929 figure even after declines had taken place in 1932 and 1933. Between 1933 and 1937 the number of employees in government service increased by 16.9 per cent. The data for this short period of depression and recovery confirm the customary generalization that changes in the number of public employees take place more slowly than changes in business conditions which affect the receipt of taxes.

The depression and subsequent revival, however, did not affect equally the employees of all types of government. For example, while a 12 per cent decline was taking place in city government (exclusive of schools) from 1929 to 1933, the number of employees of state agencies increased steadily, and continued to increase until by 1937 the number of state employees (exclusive of schools) was 39 per cent greater than in 1929. Although the number of persons on city payrolls has risen steadily since 1933, the 1937 figures show that municipal employees were still fewer by 3 per cent than in 1929. Table 1 summarizes the changes from 1929 to 1937 by type of governmental unit.

Salaries of Public Employees.

Salaries and wages received by employees of federal, state and local governmental units (excluding persons on work relief) aggregated $5,400,000,000 in 1937, equivalent to approximately one-eighth of the total amount of all salaries and wages in the United States. In 1929 government payrolls had formed a smaller fraction of total salaries and wages, being about one-eleventh of the

TABLE 2

TOTAL AND AVERAGE SALARIES AND WAGES OF GOVERNMENT EMPLOYEES IN THE UNITED STATES, 1929, 1933, AND 1937

Source: United States Bureau of Foreign and Domestic Commerce, *Income in the United States, 1929-37,* pp. 37-8.

	Total salaries and wages (in millions of dollars)			*Average compensation per employee*		
	1929	1933	1937	1929	1933	1937
Total all employment (government and non-government)	$50,572	$27,963	$42,828	$1,451	$1,077	$1,316
Total government	4,794	4,323	5,410	1,496	1,343	1,437
Federal	1,398	1,221	1,918	1,622	1,427	1,595
State	342	373	469	1,296	1,220	1,278
City	1,167	934	1,102	1,625	1,459	1,581
County, township, and minor units	376	331	396	1,397	1,275	1,326
Public education	1,511	1,464	1,525	1,386	1,265	1,272

total at that time, but by 1932 the proportion had risen to almost one-sixth of the wages and salaries paid in the United States. It may be surprising to some students of contemporary government, however, that the importance of public payrolls in the national income (even when work relief wages are included) has slowly but steadily decreased from 1932 to 1937.[3]

The average salary paid to a government employee has been increasing since 1933, although the compensation is still below the levels of 1929 (see table 2). Municipal salaries usually increase with population size of city (see table 3). From the incomplete data available, average salaries do not seem to differ appreciably under various forms of city government, as, for example, those headed by city managers and mayors. Such inconsistent variations as appear are difficult to interpret in view of the inadequacies of the data.

Municipal Employees Distributed by Functions.

In the ninety-four cities having a population of over 100,000 there were 689,000 full-time municipal employees on April 1, 1936, the date for which detailed information is available from the Bureau of the Census.[4] Employees of independent local government units, such as school, park, and port districts, within city boundaries, and a computed percentage of county employees in each city having a population of over 300,000, were included in the census data, while persons on local relief

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[3] Ibid. p. 17 (table 2) and p. 24 (table 7).

[4] U. S. Bureau of the Census, *Financial Statistics of Cities,* 1936, pp. 207-212.

TABLE 3

NUMBER OF EMPLOYEES[a] AND AVERAGE SALARY PER MUNICIPAL EMPLOYEE ON DECEMBER 31, 1936, IN 781 REPORTING CITIES HAVING A POPULATION OF OVER 10,000

Source: International City Managers' Association, *Municipal Yearbook*, 1937, p. 267.

Population-size of city	*Number of cities reporting*	*Number of employees (in thousands)*	*Payroll (in millions of dollars)*	*Average salary per employee (in dollars)*
All cities reporting	781	497.0	877.0	1,765
Over 500,000	11	239.8	511.4	2,132
200,000 to 500,000	23	75.5	107.5	1,425
100,000 to 200,000	48	52.8	83.3	1,578
30,000 to 100,000	186	73.7	107.3	1,457
10,000 to 30,000	513	55.2	67.4	1,222

[a] Part-time employees included at full-time equivalent. School employees excluded as well as one or more other specific departments in many of the cities reporting.

rolls were excluded. These municipal payrolls included about 1.9 per cent of the aggregate population of these cities, or about 1.7 per cent, if the 58,000 employees of public service enterprises are excluded. Forty per cent of the remaining 631,000 employees in regular departments were on school payrolls. Next to schools, police protection accounted for more employees than any other municipal function, having 12 per cent of the total personnel in regular departments. Sanitation and fire prevention ranked third and fourth respectively.

Contrary to popular belief that a large part of the personnel of city governments is found in general administrative or "staff" offices, only 7.2 per cent of municipal employees were so classified by the census, even after public service enterprises were excluded. The remaining 92.8 per cent were engaged in operating services, such as providing educational and recreational facilities, constructing roads, and furnishing police, fire, and health protection. The distribution of municipal employees in large cities among each of the major functions of government is summarized in table 4.

Municipal Employees by Size of City.

In New York City alone there were nearly 139,000 full-time municipal employees, a greater number than are included in the entire population of many of our larger cities. The nine cities with populations numbering more than half a million but less than one million average 12,858 municipal employees per city, compared with an average of 6,786 in municipalities having populations from 300,000 to 500,000 and an average of 2,333 in cities having between

TABLE 4

NUMBER AND PERCENTAGE DISTRIBUTION OF FULL-TIME MUNICIPAL EMPLOYEES, APRIL 1, 1936, IN 94 CITIES HAVING A POPULATION OVER 100,000

Compiled from data published in United States Bureau of the Census, *Financial Statistics of Cities Having a Population of Over 100,000, 1936,* Washington, 1938. p. 207 ff.

(NUMBER OF EMPLOYEES IN THOUSANDS)

	Municipal employees by size of city							
	All cities over 100,000		*Cities over 500,000*		*Cities between 300,000 and 500,000*		*Cities between 100,000 and 300,000*	
	Number	*Per cent*	*Number*	*Per cent*	*Number*	*Per cent*	*Number*	*Per cent*
All departments including public service enterprises	689		436		89		164	
Regular departments[a]	631	100.0	397	100.0	81	100.0	152	100.0
General government	46	7.2	32	8.0	7	8.0	7	4.9
Protection to person and property	132	20.9	85	21.5	15	18.8	31	20.7
Police Department	76	12.1	54	13.5	8	9.5	15	9.9
Fire Department	47	7.5	26	6.4	6	7.8	15	10.0
Other	9	1.4	6	1.5	1	1.5	1	.8
Conservation of health	21	3.4	14	3.5	4	4.5	4	2.5
Sanitation	58	9.2	41	10.3	6	7.3	11	7.3
Highways	28	4.5	16	4.0	5	5.7	8	5.0
Charities[b]	13	2.1	9	2.2	2	2.7	2	1.6
Hospitals	35	5.6	26	6.6	6	7.0	3	2.3
Corrections	6	1.0	5	1.2	1	1.2	[d]	.3
Schools[c]	252	39.9	144	36.3	32	39.6	75	49.6
Libraries	12	2.0	8	1.9	2	2.0	3	1.9
Recreation	24	3.7	16	4.0	2	2.9	5	3.5
Miscellaneous	3	.5	2	.6	[d]	.3	1	.5
Public service enterprises	58		39		7		12	

[a] Excluding employees of public service enterprises, which are shown separately following the regular departments.

[b] Including supervision of charities, hospitals, and correction.

[c] School employees for the full school year were reported as for full time.

[d] Less than 1,000.

100,000 and 300,000 inhabitants.

Differences in area, climate, topography, population density, and customary expectation of citizens with regard to the variety and extent of municipal services prevent use of comparisons on the number of city employees as a measure of the relative efficiency of two or more specific city governments. Certain generalizations, however, may be ventured about the comparative number of municipal employees for cities of dif-

TABLE 5

FULL-TIME MUNICIPAL EMPLOYEES PER THOUSAND INHABITANTS,[a] APRIL 1, 1936, IN 94 CITIES HAVING A POPULATION OVER 100,000

Compiled from data published in United States Bureau of the Census, *Financial Statistics of Cities Having a Population of Over 100,000, 1936,* Washington, 1938. pp. 207, 210.

	Municipal employees per thousand inhabitants by size of city			
	All cities over 100,000	*Cities over 500,000*	*Cities between 300,000 and 500,000*	*Cities between 100,000 and 300,000*
Regular departments[b]	17.3	18.6	18.1	14.3
General government	1.2	1.5	1.4	.7
Protection to person and property	3.6	4.0	3.4	2.9
Police Department	2.1	2.5	1.7	1.4
Fire Department	1.3	1.2	1.4	1.4
Other	.2	.3	.3	.1
Conservation of health	.6	.6	.8	.4
Sanitation	1.6	1.9	1.3	1.0
Highways	.8	.7	1.0	.7
Charities[c]	.4	.4	.5	.2
Hospitals	1.0	1.2	1.3	.3
Corrections	.2	.2	.2	[e]
Schools[d]	6.9	6.8	7.2	7.1
Libraries	.3	.4	.4	.3
Recreation	.6	.8	.5	.5
Miscellaneous	.1	.1	.1	.1
ublic service enterprises	1.6	1.8	1.6	1.1

[a] Population figures used are from the fifteenth decennial census of population, 1930.
[b] Excluding employees of public service enterprises, which are shown separately fol- wing the regular departments.
[c] Including supervision of charities, hospitals, and correction.
[d] School employees for the full school year were reported as for full time.
[e] Less than one-tenth.

erent population size on the eory that the groups contain ities of offsetting peculiarities.

For such inter-city compari- ons, the number of municipal nployees per thousand inhabi- nts is a good criterion. Accord- g to data prepared on this basis ee table 5), it appears that, as e population of a city increases, e number of municipal em- oyees increases more than proportionately. In other words, not only does the number of employees, but also the number of employees per capita, vary directly with the population. For example, the number of full-time municipal employees in regular departments on April 1, 1936, was 14.3 per thousand inhabitants in cities having a population between 100,000 and 300,000, but was 18.6 per thousand in cities with over half a million citizens. In cities having populations between 10,000 and 100,000 the same rule seems to hold, judging from tests made from data on city employees in the *Municipal Year Books*[5] of 1936, 1937, and 1938. The greater number of municipal employees per thousand population in large cities seems to indicate either that the larger cities provide more services than do the smaller ones or that the complex problems of larger cities increase the difficulties of performing these functions. Probably both explanations are correct.

Municipal Employees for Specific Functions.

The number of municipal employees, when thus reduced to a per capita basis, gives some indication of the relative importance of particular services for cities of different population size, even though comparisons between individual cities are dangerous. For example, comparisons of police and fire departments by groups of cities for different population size indicate that while police protection demands a greater amount of human activity per capita in larger cities than in smaller ones, fire protection requires fewer employees per capita as population increases. Perhaps the concentration of fire hazards, possibilities for the more efficient use o mechanical fire equipment, an more stringent building codes i larger cities, can have no parallel in the field of police protection Quantitatively these contrastin tendencies may be seen in table 5 where the number of police employees per thousand people i shown to increase from 1.4 i cities of from 100,000 to 300,00 population to an average of 2. in cities having over half a millio inhabitants, while fire departmen employees for each thousan members of the community averaged 1.4 and 1.2 respectively.

It might also be pointed ou that although police department and fire departments have approximately the same number of em ployees in cities between 100,00 and 300,000 inhabitants, citie with over half a million peopl required on the average more tha twice as many policemen as fire men.

Schools, like fire department report somewhat fewer employee per thousand inhabitants in large cities than in smaller ones. Thes two functions seem to be the ex ceptions to the general rule th the number of employees per ca ita increases as the size of th city increases.

Striking evidence of the unequ distribution of municipal medic services between large and sma cities is given by the data show ing that in cities of more tha 300,000 inhabitants there are ov four times as many municip hospital employees per thousand inhabitants as there are in municipalities having a population of from 100,000 to 300,000. Hospital employees average 1.2 per thousand citizens in the former cities and only .3 per thousand in the latter. A corresponding concentration of all hospital facilities cannot be implied since the relative number of private hospitals in the two groups of cities has not been taken into account.

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[5] International City Managers' Association, *Municipal Year Book*, 1936, p. 192; 1937, p. 264; 1938, p. 292.

Municipal Employees in Public Service Enterprises.

In 1936 approximately 9 per cent of all full-time municipal employees in cities with over 100,000 inhabitants were in public service enterprises such as municipally operated water works, electric light plants, street railways, and airports. More employees per capita are engaged in public service enterprises in large cities than in smaller ones. While public service enterprise employees reached 1.8 per thousand inhabitants in cities of over half a million inhabitants, there were only 1.1 employees of municipal utilities for each thousand persons in communities having a population between 100,000 and 300,000.

Geographic Differences in Number of Municipal Employees.

Geographic analysis of per capita figures indicates that the average city in the Northeast and the West hires from one-fifth to one-quarter more employees for the same number of citizens than does the average city in the Mississippi Basin and the Southeast. Data from cities with a population of over 100,000 give the following results:

Geographic region	*Municipal employees per thousand inhabitants April 1, 1936*
Northeast (New England, New York, Pennsylvania, and New Jersey)	19.2
South (From Delaware and West Virginia to Texas and Oklahoma)	15.9
North Central (From Ohio to Missouri, Kansas, and North Dakota)	15.2
Mountain and Pacific (From Montana and New Mexico to the Pacific)	18.4

Although these averages probably reflect some sectional differences of opinion on the extent to which services should be supplied by municipal government, such factors as divergencies in population density and racial composition are probably of equal or greater significance. Regional differences are undoubtedly due also to the varying extent to which other units of government, such as counties and townships, supplement the functions performed by city governments.

Municipal Employees per Square Mile.

Data thus far available from large cities for the number of police, fire, and other municipal employees per square mile, when distributed by cities grouped according to area size, do not show enough consistency to warrant a generalization. Information for 1936 for the ninety-four cities having over 100,000 population was analyzed on an area basis. From the analysis there appears to be a decrease in the number of policemen and firemen needed per square mile as one passes from the smallest area cities up to those covering about thirty square miles. In the twenty-six cities having an area of over fifty square miles, the number of policemen per square mile seems to increase markedly as the area of the city increases, while the number of firemen rises only slightly or remains stationary. Between the two area extremes no summary statement seems warranted.

Part-time Municipal Employees.

Part-time employees probably account for over 6 per cent of the total number of municipal employees in cities with over 10,000 population, and about 5 per cent of the number on payrolls of cities with over 100,000 inhabitants. As the population of cities increases, the percentage of part-time to all municipal employees decreases. Similarly, the number of part-time employees per thousand inhabitants decreases, although in contrast the number of full-time employees per thousand population increases with the population size of the city. Smaller cities seem to depend upon part-time help for a larger proportion of their work than the more populous cities do. The following illustrative data for April 1, 1936, exclude public service enterprise employees:

Population size of city	*Per cent of part-time employees to all employees*	*Part-time employees per 1,000 population*
All cities over 100,000	5.1	0.9
Cities over 500,000	3.9	0.7
Cities from 300,000 to 500,000	5.7	1.0
Cities from 100,000 to 300,000	7.8	1.1

Need for Current, Comprehensive, and Detailed Data.

Since expenditures for personnel constitute a major item in the operating budgets of practically all governmental units, comprehensive current indexes of governmental employment and payrolls would have considerable value and significance. Such indexes are not now available. Until appropriate records are kept routinely by the forty-eight states and by city and other local governments, the amount of usable data on employment and payrolls will be too meager for the detailed analysis desirable. Even if the collecting agency can use trained field agents working under its supervision, it would not be feasible to attempt complete employment summaries when basic records are inadequate, non-compar-

(Continued on Page 239)

The New York Courts and the Merit System

By **ALBERT DE ROODE**

Member of New York Bar, active in civil service litigation, takes exception to criticism of New York courts by president of New York City Civil Service Commission.

IN THE January number of the National Municipal Review, Paul J. Kern, president the New York City Civil Service ommission, referred to the courts an "obstacle" to the merit sysm and suggested that opposition individual members of the comission to "judicial patronage" d influenced the courts, other an our highest Court of Appeals, a hostility to the merit system, understood by Mr. Kern.

He also ascribed, rather inmperately the writer believes, litical motives to the lower urts in such expressions as: They didn't need political influce in the legislature, however. l they sought was given to them the Appellate Division"; and . . . the courts, whose members e almost unanimously from mmany Hall. . . ."

Readers of the Review outside w York may have obtained a ong impression from Mr. Kern's icle which this writer hopes to rrect. He has chosen to docunt this critique rather exsively lest it be thought merely ersonal point of view.

The writer feels that Mr. Kern, while appreciating the authoritative precedents of the Court of Appeals as to the broader principles with which that court is necessarily concerned, has taken as his basis of criticism of the lower courts, their interpretation of these broad principles as applied to particular methods in which his commission tries to carry out these principles. The writer gives to Mr. Kern the fullest credit as to the sincerity of his motives, which, similarly, he thinks should have been given to the courts.

Since the adoption in New York in 1894 of the constitutional civil service article (now article V, section 6), the courts on the whole have been the most effective agency in the maintenance and progress of the merit system.

By a constant vigilant policy of litigation, the Civil Service Reform Association (and our citizenry) has, through its law committee and officers, been able to compel, not merely humbly persuade, advancement of the merit system. Let me quote from two recent decisions of our highest court, the Court of Appeals:

In *Matter of Sloat v. Board of Examiners,* 274 N. Y. 367 (1937), the court stated:

> Statutes and administrative orders alike must conform to the mandate of the constitution. They cannot authorize a procedure which would disregard or nullify that mandate. A person aggrieved by an order or determination of an administrative board or officer which has such result may, in proper case, appeal for redress to the courts. (*Matter of Barthelmess v. Cukor,* 231 N. Y. 435.)
>
> Upon such appeal the courts are not

> to be satisfied by lip service. Disobedience or evasion of a constitutional mandate may not be tolerated even though such disobedience might, perhaps, at least temporarily, promote in some respects the best interests of the public.

In *Matter of Andresen v. Rice,* 277 N. Y. 271 (1938), the question came up as to the method of examining for the state police force. There had been an admirable body of state police recruited through a system of departmental examinations, which were not, however, competitive. The court held, opinion by Crane, Ch. J.:

> It is not for us, however, to pass upon the best methods of selection or the wisdom of legislation. We have a constitution, which I have quoted, and we, like everybody else, are bound to follow it . . . the legislature cannot pass to the superintendent of police the appointment of his entire force without some competitive examination open to all according to requirements provided in advance.

CONSTITUTION BRINGS NEW PRINCIPLE

To appreciate fully the advance of the merit system in New York, the constitutional provision and its purpose and effect, which establish our system on a different and more democratic basis than mere administrative excellence, must be understood.

Before the adoption of our constitutional provision, a civil service law, following the federal law, provided for a commission which, under the direction of the government, should merely hold competitive examinations "as nearly as the conditions of good administration will warrant."

After the adoption of the constitution a new ideology prevailed

The Court of Appeals, in *Peopl ex rel. McClelland v. Roberts,* 14 N. Y. 360, stated:

> A new principle, far reaching in its scope and effect, has been firmly imbedded in the constitution,

and that:

> If the legislature should repeal all the statutes and regulations on the subject of appointments in the civil service the mandate of the constitution would still remain, and would so far execute itself as to require the courts, in a proper case, to pronounce appointments made without compliance with its requirements illegal.

There was, of course, the cas of *People ex rel. Sims v. Collie* 175 N. Y. 196, in which the cour held that the question of whethe positions should be competitive o not was a matter of law to b determined by certiorari, and tha the classification of positions wa quasi-judicial. The unfortunat effect of such decision became apparent to the Court of Appeal however, and it reversed its decision a few years later in *Peop ex rel. Schau v. McWilliams,* 18 N. Y. 92, and held that the class fication of positions under the civ service law as competitive or n involved the exercise of admini trative discretion and was subje to review only by mandamus; an that where the action of a civ service commission in such clas ification of positions fell within t debatable field "within which the will be great differences of opinio even among the most intelligent fair-minded men," the cour would not interfere with the re sonably exercised discretion of commission.

The courts have steadfastly ad- ered to this policy and have de- lined to review acts of civil ser- ice commissions where discretion as fairly exercised. But the ourts have not thereby rendered ne constitutional provision sterile, or they have always been prompt interfere where there was un- easoning, capricious, or arbitrary ction, or where there was evasion attempted circumvention of the onstitutional mandate. They ave also steadfastly applied to the vil service commissions the same les as they have applied to other lministrative bodies, and have ways been prompt to protect the erage citizen from dictatorship the executive function of gov- nment.

MANNER OF SELECTION

The courts have given wide nge to the appointive selection d have held (*People ex rel. lcolm v. Mosher,* 163 N. Y. 32) ainst compulsory selection of the ghest person on a competitive list the case of officials with con- tutional appointive power. They ve held that it was a reasonable quirement, however, to limit the ection to one out of three.

Although the question has never en raised, the rule of one out of ee has been generally applied o to non-constitutional ap- inting officials and in promo- n examinations.

During the administration of yor Gaynor in New York, di- tion was given that in the police and fire services selection should be made strictly in order, except by express permission of the mayor. Succeeding administrations in the city have adhered to this practice and it has generally been extended to all departments under mayoralty control. It is a matter of central mayoralty sanction, of course, not of law.

The courts, however, have strictly limited the legislative power to exempt from the rule of competition and/or to grant preference to classes or individuals.

In *Matter of Barthelmess v. Cukor,* 231 N. Y. 435, it was held that the legislature could not add veteran preferences beyond that for Civil War veterans expressed in the constitution.

In *Matter of Ottinger v. Civil Service Commission,* 240 N. Y. 435, it was held that the legislature could not, in creating a new bureau in the attorney general's office, exempt all of the bureau in wholesale fashion from the scope of competition.

In *Barlow v. Berry,* 245 N. Y. 500, the courts held it beyond the power of the legislature to provide for the promotion, even in general language, of a specific individual.

In *People ex rel. Moriarty v. Creelman,* 206 N. Y. 570, the court upheld the right of the commission to prescribe reasonable preliminary requirements for entrance to examination.

The position of the local municipal civil service commissions under the civil service law should be understood. Our civil service law provides a state-wide system immune from variation by local commissions or municipalities (*People ex rel. Fleming v. Dalton,* 158 N. Y. 175), a notable victory of that staunch advocate of the merit system, Judge Samuel H. Ordway, whose son is now a United States civil service commissioner, having graduated thereto from the New York Commission.

These municipal civil service commissions have been held by our Court of Appeals not to be municipal agencies (*Slavin v. McGuire,* 205 N. Y. 84).

The state commission must approve of changes in municipal rules and classifications under the rules. Credit for sanctioning the happy reduction in the number of exempt positions in New York City, referred to in Mr. Kern's article, must be given to that body.

The courts have thus given authoritative support to the merit principle as a state-wide constitutional ideology, while at the same time reserving to the legislatively-created state agencies, the municipal commissions, a free hand in the reasonable exercise of discretion consonant with this underlying principle of competition.

Now, let us take one case as an illustration of the "obstacle" which the courts have been to a "Fusion" reform commission in New York City. That case, and it is one of the latest, is *Matter of Sheridan v. Kern,* 356 Appl. Div. 57, decided June 24, 1938.

The Court of Appeals had, i
Matter of O'Callaghan v. Finegan
276 N. Y. 587, condemned an ac
of the legislature which provide
for giving higher credit in competi
tive examinations to a vast hord
of temporary employees (10,00
or more), who, without competi
tion and contrary to law, had bee
employed for some seven year
locally in New York City in th
administration of relief.

Another act also provided tha
due credit should be given thes
employees. The local commission
of which Mr. Kern was then presi
dent, held an examination in whic
these emergency employees an
others were allowed to compete fo
the position of social investigator

RATINGS FOR RELIEF EMPLOYEES

In this examination, as reveale
in the Sheridan case, the com
mission gave a basic rating of 8
per cent to these emergency em
ployees but a basic rating of onl
70 per cent to other candidate
and, as the court said, the com
mission also "gave Emergency R
lief Bureau social investigators
credit of 4 per cent for their fir
year's experience with that burea
while others were given a credit
1 per cent for their first year's e
perience with other agencies."

Emergency Relief Bureau em
ployees with a college degree we
also given credit of three poin
while others received no credit f
such degree.

Here was a deliberate attem
to appraise these "emergency r
lief" workers by Mr. Kern's co

mission on a higher basis than was given for similar experience in the case of others, contrary to the condemnation by the Court of Appeals in the *O'Callaghan* case.

The Appellate Division unanimously and, in the writer's opinion, correctly and justly, condemned such rigged examination to benefit favored "emergency" workers. The court stated:

> Any method which results in improperly placing in permanent positions those who obtain temporary employment is a reversion to the rightly condemned spoils system and is destructive of much that has been accomplished in the way of civil service reform. Where such procedure is sanctioned by an administrative body, it presents a clear case of abuse of discretion which the courts are in duty bound to correct.

COURTS OVERRULE COMMISSION

Along with a very excellent ad- inistration of the civil service law n the matter of routine positions n the City of New York, the pres- nt administration is chargeable ith persistent utilization, with- ut competition, of employments n the administration of relief.

Since 1931, when emergency re- ef was established in New York ity, the administration of this lief, up to its transfer to the De- rtment of Welfare at the be- nning of 1938, was not part of e organic municipal structure. was, however, in charge of a lo- l body appointed by the mayor. During all these seven years ere was not the slightest attempt select employees through com- titive examination, and the fight secure their appointment through competition was a long and arduous one against the city authorities through its corporation counsel. This culminated in two cases in the Court of Appeals, *Matter of Kraus v. Singstad,* 275 N. Y. 302, and *Britt v. Kern,* decided by the Court of Appeals December 6, 1938, application to Court of Appeals for leave to reargue denied January 17, 1939. In both of these cases the Court of Appeals upheld the decision of the lower courts adverse to the city.

In the Britt case figures submitted to the Court of Appeals showed that during seven years since 1931 there was an average annual expenditure for employment in the administration of relief of $17,702,200; a total for the seven years of $123,915,400. The lowest average salary calculated for these non-competitive administrators was $1,500 annually; many received from $2,000 to $3,000.

Further, there have been serious abuses in the utilization of Federal WPA workers not in made projects but in the normal functions of the municipality—thus making federal moneys a subsidy for appointment without competitive examination.

There is a large group of pharmacists, for instance, employed without competitive examination to take care of the indigent in the public hospitals, who are paid with federal money.

The Civil Service Commission has perhaps no control over these emergency and WPA spoils, but so far as the present municipal administration is concerned, it has fought in the courts through its corporation counsel against efforts to compel competitive selection.

SPECIAL POINTS OF LAW

Of course, as Mr. Kern relates, in two of the cases to which he referred—the proposed lifeguard tests and the street sweeper's promotion examination—the decision of the lower court was reversed by the Court of Appeals. But in each there was also a debatable point of law presented.

In the lifeguard case there was involved not only the question as to the right to re-examine lifeguards annually but whether that right belonged to the Commission or to the appointing authority.

In the street sweeper's case, it so happened that the petitioner and many others who had complied with instructions of the commission actually received a rating lower than that of those who did not comply.

In the laundry bath attendant's case, referred to by Mr. Kern in his article, the fact upon which the court based its decision was not mentioned. It so happens that such employees must be familiar with high pressure steam equipment, and the commission had previously recognized the necessity for expert knowledge of such equipment so as to avoid accident.

To bring up to date the question as to how far the courts have been "obstacles" a recent determination of the court adverse to the commission is illuminating.

In *Matter of Wittekind v. Kern,* decided by the Supreme Court December 30, 1938, the commission, a year and a half after promotion examinations to the higher ranking positions in the Fire Department had been held, and a year after the promotion lists had been established, sought retroactively to change the rating of those who had failed according to the rule provided by the commission at the time of holding the examinations. They proposed to add known failures to the promotion lists, to the exclusion of others in the Fire Department who, since the examinations, had become eligible for promotion in new examinations which had been announced. Nothing of this sort had been attempted since 1903 even under Tammany commissions. This decision has just been affirmed by the Appellate Division. No appeal has as yet been taken to the Court of Appeals.

From sober analysis the writer feels that the courts in New York Special Term, Appellate Division and Court of Appeals, have, on the whole, not only given wholehearted support to the merit system but have rather carefully, and in his opinion, sometimes unnecessarily, allowed the widest range to civil service commissions in the reasonable exercise of discretionary judgment. In those cases in which the courts have reversed action of civil service commission there were few, if any, where the reversed action of the commission could be justified.

Massachusetts Counties under the Microscope

By **RICHARD A. ATKINS**
Boston Municipal Research Bureau

Minor functions and few officials make county problems of Bay State much less formidable than those of other states.

LIGHT-BRINGERS to the "dark continent" of American politics have avoided he area of county government vhich lies "down east." New ngland counties are explained way as being inconsequential nits, wedged in between the loalities and the state, with only a cattering of minor functions and handful of officials. This imlies that the county issues found lsewhere do not exist in New ngland and suggests that the ection is singularly favored.

Correct as the prevailing imression may be in many respects, should be examined more losely. County government in lassachusetts has at least the earing of the county problem hich has awakened so much inerest during recent years.

County government in Massausetts developed with the state idicial system. In 1636 quarrly sessions courts were created d the name of "county courts" as soon applied to them. Seven ears later the four oldest counes in the commonwealth—Essex, iddlesex, Norfolk, and Suffolk -were chartered to assist the towns in the administration of justice.

By 1700 counties were responsible for most of the functions which have typified Massachusetts county government ever since: that is, the courts, jails, houses of correction, probate of wills, and the registration of titles to land. County officials of this early period were justices of the county courts, clerk of the courts, county treasurer, sheriff, and register of probate and of deeds.

Eighteenth century county commissioners were fiscal officers engaged in listing taxpayers and equalizing assessments. After continual county rule by judicial officers throughout colonial times, a large measure of administrative authority passed from the judges to the commissioners early in the 1800's.

Massachusetts is densely populated and its counties are few in number. Average county population is over 300,000, a figure surpassed in Connecticut alone. Only two of the fourteen counties have less than the median population of American counties; and nine are unusually populous, ranging from 120,000 to 935,000 inhabitants.

The two underpopulated counties are islands. One is Nantucket, where the county organization has been merged with the town government. The other is Martha's Vineyard, or Dukes

County, where a species of skeletonized county government is maintained. Neither presents a situation worth elaborating. Suffolk County, consisting of Boston and three satellites, is partially consolidated with the city government of Boston. As a result, it also stands somewhat apart from other counties in the state and requires separate treatment.

The eleven remaining counties exhibit roughly similar conditions and the ensuing discussion will refer primarily to them as a group. Their median area is nearly seven hundred square miles—a figure to be compared with the typical median area of six hundred square miles for counties in the United States.

LEGAL STATUS

Neither at the time of its adoption, nor subsequently through amendment, has the state constitution defined the form of county government or required a uniform system of county government. The sole constitutional officers are the sheriff, register of probate, and clerk of the courts.

No constitutional or statutory provisions exist which permit change in county organization save by sanction of the General Court. There is no home rule amendment, no series of optional forms of county government, no authorization for county consolidation or for city-county consolidation, and no statutory provision permitting consolidation of offices or functions.

Counties are under the thumb of the legislature, which is free to alter county lines and to determine the precise extent of county functions. For even trivial expansion of activity the counties must first seek legislative approval, as well as for many matters that are details of administration. County budgets pass through the legislative committee on counties and are annually enacted into state law.

GENERAL GOVERNMENT

Official duties of the county governing body in Massachusetts, a board of three elective commissioners, fall into certain distinguishable categories. The first is quasi-judicial, wherein the county commissioners may receive petitions, conduct hearings, and enter a formal order with respect to land takings for highways, and alterations to bridges and railroad crossings. As a parole board for dealing with prisoners in the county house of correction, they may release, among others, "rogues and vagabonds, persons who use any juggling or unlawful games or plays, common pipers and fiddlers."

County commissioners also act as trustees, or supervisory boards, of such county institutions as the tuberculosis sanatoria and county agricultural schools. As chief administrative officers for their county, they must allow payments and prepare budget estimates. Finally they possess an interesting assortment of miscellaneous functions tucked away in the nooks and crannies of the governmental structure of the commonwealth.

The elected county treasurer is mainly a disbursing officer and paymaster. A few formal powers do not appreciably affect his status.

In Massachusetts the role of the sheriff may be quickly summarized. He is a jailer and master of the county penal institution. As chief court officer for the county in the supreme judicial and superior courts, he may serve criminal processes and civil notices, and enforce court orders.

The place of the four remaining elective county officials is sufficiently indicated by their titles: clerk of the courts for the county, register of deeds (and assistant recorder of the land court), register of probate, and district at-orney.

These officials—together with numerous judicial officers, clerks of inferior courts, and judges, all of whom are appointed by the governor and council—constitute the county government.

COUNTY FUNCTIONS

Although the traditional county unction is the administration of ustice, the commonwealth is so eeply involved in its system of ourts that the counties become ttle more than administrative istricts. They thus serve as a mechanism for distributing the major portion of the cost of the ourts among the cities and towns.

County employees are attached o the courts, and county buildngs are used by the courts and related agencies; nevertheless, only the district and municipal courts are thought of as county courts—and these erroneously so.

County functions, once the courts and offices of record are accounted for, are not numerous. The county jails and houses of correction (usually combined) are survivals. They might have been assimilated with the state penal institutions system were it not for the political power of the sheriffs and the circumstance whereby jails are places of detention for persons in temporary court custody and not correctional institutions.

County aid to agriculture (or agricultural extension work) as carried on in nine counties reflects the federal government's consistent use of the county area in advancing its agricultural program. Three counties sponsor schools which give vocational education in agriculture for children of secondary school years. There are four county training schools for truants and delinquent minors.

County officials supervise district tuberculosis sanatoria and handle their finances, but the expense of construction and subsequent maintenance is a charge upon the eight hospital districts—which embrace all towns and cities in the county or counties (two districts include more than one county) without publicly supported tuberculosis sanatoria of their own.

Massachusetts counties help finance the construction and maintenance of state-county-local highways. Where distribution of construction costs was at one time approximately a third among the three units, there is now a tendency for the state to take up a larger burden. Aside from routine maintenance of certain bridges and the making of preliminary plans, the counties have nothing to do with actual construction or repair.

Because county commissioners participate in the legal phases of highway administration and wield financial authority over road-building, they have a voice in shaping the highway program of the commonwealth—a process which bears a close parallel to the framing of an old-fashioned tariff schedule.

Significant departures from normal county activity are the health service and police training school in Barnstable County on Cape Cod. Given the general pattern of Massachusetts county government, the police school can only be characterized as a spectacular innovation.

EXCLUDED MATTER

Perhaps in summary the functions of Massachusetts counties will become clearer if expressed in the negative. This presentation, furthermore, will assist the reader in determining how many vexatious topics are eliminated from discussion where Massachusetts counties are involved.

Counties have no ordinance power, no police power worth mentioning, no power of taxation in their own right, no power of incurring indebtedness which is not narrowly defined. The counties do not assess property or collect taxes.

They do not actually carry on public works. They have no almshouses, nor have they touched the wide field of public welfare. No county serves as a public school district. There are no general county libraries. The solitary general hospital is in Barnstable County. A few reservations, of which county commissioners act as trustees, are the nearest approach to county parks.

There are, moreover, no elective coroners (medical examiners are appointees of the governor and council), no elective county judges, and no strictly county prosecutors. The county has only a limited consequence as an election district. Party organizations are no longer built around the counties; the county political convention has gone the way of other robust institutions.

TOWNS RETAIN THEIR VITALITY

Towns and cities (with a sprinkling of fire, water, and improvement districts) are the units in Massachusetts through which the chief governmental services are locally administered: Self-sufficient and weighted with tradition, the towns take on added significance because there are no unincorporated local areas in the state.

It has been said that county governments in the United States are adding to their time-honored responsibilities for maintenance of law and order, highways, dependents, and delinquents by turning to the "conservation of natural and human resources."

Search of proposed legislation n Massachusetts during recent years does not disclose important sentiment for enlarging county powers. Massachusetts counties hemselves have displayed exreme reluctance to surrender auhority, but they have shown little lisposition to reach out for more power.

Towns have joined forces in chool superintendent and water listricts. Two health districts nder supervision of the state deartment of health have been ormed from towns in rural secions. Metropolitan agencies in he Boston area, which administer arks and boulevards, sewerage, water, and transit, cut across five ounties. In this piecemeal reakdown of local insularity ounties are taking small part.

Duplication and overlapping re twin evils laid against coun- es. In Massachusetts the ounty functions gear into state inctions to such an extent that observers, brushing aside practi- alities, are struck by the ease ith which the counties could be bolished. It is fair to consider hether the situation results in ain or loss. While government simplified by self-contained wn units, a vigorous agency be- veen the state and the cities and wns might become increasingly seful. As the necessity for joint tion multiplies and towns find more and more desirable to act in unison, the absence of a well organized intermediate authority may prove a handicap. Therefore, the lack of fully developed county government may be set down as a problem in itself.

SOME COMMON PROBLEMS

Broad-gauged surveys of county government, being more concerned with the general than with the specific, dwell upon faulty organization and inadequate overhead controls. Despite the relative paucity of county functions in the commonwealth, Massachusetts counties are open to much of the criticism that has been voiced elsewhere. Authority is amply distributed among elective and appointed officials; each will ordinarily be found supreme within his own sphere. County departments are numerous and disjointed. Lines of responsibility cross and recross, although not perhaps with the same degree of disarray that marks more complicated counties west and south.

Overhead controls reveal shortcomings. County commissioners pursue primitive budget methods. Their fiscal powers are further vitiated by lack of authority over independent officials. Their preaudit function, however conscientiously exercised, is misplaced. County accounts are on a basis that precludes strict budgetary control. The independent county treasurer does not have the power which might conceivably justify his status. Centralized purchasing is nonexistent, unless the furnishing of dog license forms by a state agency to county officials meets the description.

County government is frequently attacked for its personnel methods. In Massachusetts this function has been centralized to the extent of a personnel classification plan and uniform salary schedule enforced by a state-wide county personnel board of three county commissioners assisted by an experienced administrator with headquarters in the State House. Despite several gaps, these measures have relieved the General Court from most, but, as the last session is a witness, by no means all pressure in the guise of special county salary bills. As an added merit, the salary schedule has helped reduce the fee system—another common complaint against counties—to a minor irritation, most in evidence among officers of the courts.

Employees in the counties of any size come under a uniform contributory pension system, now reaching all personnel except judges, who will continue to receive non-contributory pensions.

Otherwise personnel matters are the exclusive concern of the individual heads of county offices. Formal recruitment methods do not apply. Counties are wholly exempted from the state civil service law as administered by the State Civil Service Commission on behalf of the commonwealth, thirty-nine cities, and numerous towns; and where informal methods obtain, it is idle to look for refinement in procedural details.

A FEW FUNCTIONAL ISSUES

Additional evidence of a county problem may be found in the line activities.

County jails and houses of correction are a usual starting point. Sheriffs have controlled these institutions since 1699, and their tenure is unshaken. A blistering attack on their methods in 1921 and the years immediately following dissolved in irrelevancies, but apparently brought beneficial results in the more prominent and elementary phases of management, such as good order, cleanliness, and diet. At present interest centers in less dramatic features of prison administration: provision for productive industries, educational and religious instruction, exercise, social welfare work, and the proper segregation and classification of prisoners.

County training schools are a source of concern. Of the four that remain, two are minute and their days may be numbered. Not long ago the commissioners of two counties which jointly supported a similar enterprise closed its doors. Furthermore, the schools with the larger enrollments will be increasingly hard-driven to justify their existence, in view of changed methods of dealing with school offenders and petty delinquents. County training schools are once more undergoing official examination, in the course of which an attempt may be made to blow new life into these institutions.

County agricultural schools have been remarkably successful in keeping their troubles, if any, within the family. The same may be said of county aid to agriculture, which follows the well defined path laid out the country over by the federal government.

Less is heard about the county tuberculosis hospitals than about the municipal sanatoria, which are apt to give way to the former. In general, the county sanatoria are modern and large enough to provide adequate facilities. State subventions to towns which support patients in approved tuberculosis hospitals provide an additional compulsion for county sanatoria to live up to standards.

Since the counties do not lay pavements or build roads, their highway program must mystify the ordinary citizen, although boards of selectmen, mayors, and the state department of public works are well acquainted with its peculiar functioning. As matters stand, the counties at best achieve a measure of administrative decentralization and furnish an intermediate area for raising highway funds.

There would be clamor if the grosser types of inefficiency were permitted in the offices of record. Probably the outstanding issue is o persuade them to adopt, as ome already have, modern mahine methods of reproducing egal instruments in the interests f economy.

Most serious study of the courts s professional and stems from the udicial council, law schools, and ar association committees, which ive less thought to topics that occur first to the lay investigator and place more emphasis upon jurisdictional or procedural questions.

Nevertheless, sooner or later the relationship of the Massachusetts county system to the state's judiciary must be thoroughly canvassed. Closely interlocked with county government are four fundamental questions: court organization, personnel, costs, and accommodations. These issues are intimately related to public contacts with and impressions of the courts, and they merit a place alongside considerations more prominent in the minds of legal reformers.

COUNTY FINANCES

A third line of attack on county government is directed on finance. Total state, county, and local expenditure for all purposes in the commonwealth run above $400,000,000 annually—those of the counties (including Suffolk) to about $15,000,000. Combined state, county, and local funded debt in the commonwealth amount to some $400,000,000—that of the counties (again including Suffolk) to approximately $7,000,000. Clearly, in the aggregate picture, counties occupy a subordinate place.

Moreover, since limited and narrowly fixed functions are involved, the counties have been relatively free from expense arising out of a desire for new or expanded services. Even more important, they have escaped the heavy draft of emergency demands. Cities and towns may be ready to buckle under the relief burden, but the counties can point to a record of stable expenditures.

County budgets balance automatically. Estimated miscellaneous receipts are deducted from total county allowances and the balance levied upon the cities and towns as a county tax. Localities, in turn, raise this county tax by a levy on real and tangible personal property. Counties then collect 100 per cent from the cities and towns, which are left to wrestle with any difficulties resulting from tax delinquency or uncollectible property taxes.

Counties have no power to incur debt, aside from temporary notes for current financing, without special legislative authorization. Furthermore, the objects for which they might want to borrow are mainly restricted to a few institutional needs. At present county debt is decreasing, and a financial issue which might possibly elevate Massachusetts counties to the status of a full-fledged county problem loses its force.

USUAL SOLUTIONS INADEQUATE

On the other hand, numerous considerations urge that there is a county problem in Massachusetts. As long as counties exist in their present form, there will be a governmental void between the state and the localities. County government shows weakness in organization and methods of control. County functions raise unanswered questions of institutional management and reveal some duplication of effort. The county system occupies a key position in controversy over the state judiciary. County expenditures are a relatively small but nevertheless integral segment of the increasingly strained finances of the commonwealth.

After a fashion the problem is being met through step by step improvements at a pace largely regulated by the county officials themselves. To quicken the tempo, various interests have sought a special commission of inquiry. They have gotten nowhere. A biographer of "Old Hickory" says the question arose as to how it came about that General Jackson killed so many Indians. The answer was, "Because he knows how." Friends of county government in or near the legislature know how to kill resolves calling for a county study.

Consequently, attempts have been made to broach the issue in an oblique manner. For more than a decade Massachusetts has witnessed a parade of special commissions charged with the duty of rationalizing taxes and, if humanly possible, of introducing economies. At the depth of the depression one of these perennial bodies took more than a superficial glance at county government. The 1936 commission seemed to content itself by asking county officials if all was well and by recording the affirmative answer. The 1937 commission was given a back-breaking assignment that extended to county affairs as well as a multitude of other subjects. It produced sixteen reports nd left the counties untouched.

One drawback, as anyone who robes Massachusetts county gov- rnment will discover, is the in- dequacy of specifics. After a iagnosis of county ills on ap- roved lines, it is customary to dminister such favorite cures as onsolidation, the short ballot, re- rganization, the county manager lan, and a large dose of state ontrol. Where all hope is lost, bolition is prescribed. To this st, Massachusetts might add a ovel remedy—secession: for antucket County periodically hreatens to withdraw from the ommonwealth, if not indeed from e union of states.

Consolidation of the Massachu- etts counties, which are popu- ous, comparatively broad in area, nd resting on a substantial tax ase, is hard to argue.

The county ballot might be ortened. Register of deeds, ounty treasurer, clerk of the ourts, sheriff, and register of robate are ministerial offices hich clutter the voter's task. aking them appointive would, is true, clear the way for re- ganization; but this could rdly go beyond a meager re- uffling.

Even under a revised set-up, a unty executive would be umped for lack of real work and county manager worthy of his re would be at a loss for enough manage.

Massachusetts counties are al- ady under considerable state ntrol that reaches not only to e form but also to the substance county activity.

As a practical matter, of course, the counties would resent abolition. And the materials have not been gathered for building up public sentiment on a scale necessary to overcome their dissidence. The public—including the organized taxpaying section—remains calm, or, more accurately, is diverted by almost continual uproar in the state and municipal spheres. By contrast county officials have an alert community of interest and they know their way around the State House.

CONCLUSION

There seem to be no broad alternatives. Massachusetts has seen fit to deal with its county problem by state controls and piecemeal legislation. County officials, moreover, have been known to see the light unassisted.

Yet better public understanding of the exact proportions of county government and the relationship it bears to both the state and the localities should serve a double purpose. It might increase interest in the now rather obscure county functions and methods of doing county business. It might in addition promote legislation for county improvements.

For the time being a constant effort to strengthen county government stage by stage offers the best prospect. For the long pull it will be necessary first to decide whether there is still a place between the state and the cities and towns for county government and then to establish what it is best fitted to do.

Maine's Unorganized Territory Creates Few Problems

By **JOHN W. FLEMING**
United States Housing Authority

Nearly nine million acres of wildlands, with no local unit smaller than the county, may prove laboratory in developing substitute for rural municipal government.

ABOUT 40 per cent of the area of Maine has no local government unit smaller than the county. This area is the so-called unorganized territory or wildlands. The existence of such an area, and of similar smaller areas in New Hampshire and Vermont, frequently is not considered when New England is referred to as a stronghold of local government.

The government of Maine's unorganized territory merits particular attention at this time, since it has been expanded recently by the deorganization of a number of municipalities under special acts of the legislature. It is quite possible that the near future will see further such expansion.

Maine's experience with her unorganized territory may provide a nucleus for the development of new administrative and financial arrangements in some of New England's declining rural areas. Such development, by providing a satisfactory substitute for rural municipal government where it is particularly weak, may actually strengthen the institution of local government in New England.

Maine's unorganized territory extends into eleven of the sixteen counties of the state and comprises roughly 8,850,000 acres. The largest single block covers most of the northern half of the state; a second large block is primarily in the southeastern counties of Washington and Hancock. The territory is divided into area units which, for the most part, are called townships and are designated by letters and numbers such as T. No. 4, R. 2, B. K. P., W. K. R.—Township Number 4, Range 2, Bingham's Kennebec Purchase, West of the Kennebec River. In addition to townships, which usually are in the neighborhood of six miles square, the unorganized territory contains various other area units such as strips, patents, gores, etc.[1]

The present population of the unorganized territory is not easily estimated; there is much tranient occupancy in connection with umbering operations. It is quite ertainly not more than a few housand persons—not more than per cent of the population of he state, which in 1930 was reorted as 797,423.

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[1] As of January 1, 1935, the Maine State Planning Board lists 373 townships, five gores, three surpluses, five strips, one tract, one patent, two grants, and two points.

Taking this Planning Board list a a starting point, the following calculation of the present area units in th unorganized territory is made: 380 townships, five gores, three surpluses, fiv strips, one tract, one patent, two grants and two points. This differs from th 1935 Planning Board list through the addition of seven townships, i.e., areas formerly organized but whose deorganizatio into an unorganized township status became effective in the interim between th Planning Board listing and the presen time.

For purposes of taxation the norganized territory is valued irectly by the Property Division f the State Bureau of Taxation. he December 1936 total state aluation (which is the basis of 937 and 1938 state and county eneral property taxes) is $661,09,219, of which $45,783,879 roughly 7 per cent) is the valution of taxable property in the en unorganized territory. The 937 state tax on this valuation 7.25 mills; the total state levy $4,793,766—of which $331,33 is on the property of the organized territory. The 1937 unty rates range from 1.0 to 4 mills, totalling $1,320,546, which $89,994 is levied on operties in the unorganized rritory.

In addition to these levies the unties impose special assessents on properties in the unornized territory in connection ith certain road and bridge ork; in a sense the townships nd other area units) in the organized territory are entities r the apportionment of such sessments.[2]

It is clear that the unorganized area, which is to a large extent in timber, requires only in a limited measure the services which are usually provided in organized places and as a rule is considered an area of state and county administration.

The county commissioners have general jurisdiction over roads in this territory; generally speaking they are charged with the duty of acting as "municipal officers" with respect to these roads.[3] The State Department of Education has in its hands the administration of education in the unorganized territory.[4] Relief, however, is placed by law under the administration of the ". . . overseers of the oldest incorporated adjoining town, or the nearest incorporated town where there is none adjoining. . . ."[5] While it has sometimes been necessary for the State Department of Health

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See Rev. Stat. (1930) Ch. 13, Sections through 61. Also see Rev. Stat. (1930) . 27, Sec. 55 and P. L. 1933 Ch. 216. short, the law provides that the county mmissioners shall assess the expenses of king and opening certain roads (in the organized territory of the county) upon the lands over which the road is laid and on adjoining townships benefited thereby.

A somewhat similar provision is made for assessment of sums for road repairs, except that here nothing is said about adjoining townships. Further, repairs assessments are to be proportional to valuation, not more than 2 per cent annually, any balance to be assessed on the county.

[3] See Rev. Stat. 1930 Ch. 27, Sec. 55 through 60. Also see P. L. 1933 Ch. 216. In the former reference it is provided that the county commissioners are to act as "municipal officers" of unincorporated places, i.e., for certain purposes set forth in the highway law, and that the word "town" used in the highway law shall include "cities, towns, organized plantations, and unincorporated townships, except as herein otherwise indicated."

[4] See Rev. Stat. 1930 Ch. 19, Sec. 131 through 146, and the Amendments Ch. 100, P. L. 1933 and Ch. 209, P. L. 1937.

[5] See Rev. Stat. 1930 Ch. 33, Sec. 22.

and Welfare to undertake direct administration of assistance to persons in distress, clearly the statutes give overseers of towns which happen to be situated in a particular manner with relation to persons in distress an authority extending into a portion of the unorganized territory.

POLL TAXES AND VOTING

A further example of how local officials of organized places may exercise certain authority of local government with respect to unorganized territory is provided in a 1937 statute which requires the state tax assessor to procure an enumeration of persons twenty-one or more years of age resident in the unorganized territory, and to assess a poll tax on such of these residents who are required by law to pay it.[6] The statute further stipulates that persons legally entitled to vote may do so in an adjacent town. Any qualified voter in a remote section of the unorganized territory may secure from the secretary of state, upon application in writing, a designation of a town in which he or she may vote.

The law provides that "the poll taxes paid by electors in unorganized territory who register in a town as voters shall be paid by the state tax assessor to such towns . . . and such payment shall be considered an assessment on said electors by said town officials." Further, tax collectors of towns adjacent to the unorganized territory receive automobile excise taxes from persons residing in the unorganized territory, and "such fees shall be for the use of the town in which the tax is paid."[7]

It is apparent that local government functions in this territory are administered under a variety of arrangements—in part by state officials, in part by county officials, and in part by certain town officials.

Reference has been made to the fact that the area units of the unorganized territory, and its inhabitants, bear some of the expenses of services to these respective area units, i.e., certain highway and bridge burdens are assessed to the properties in the areas which are primarily benefited by these improvements, and poll taxes and the administration of the franchise to persons in the unorganized territory are closely connected.

Townships of the unorganized territory are fiscal entities in another sense. Certain funds arising from the sale of timber and grass on reserved (public) lots in a township are held, along wit stipulated interest, to build a fun for school purposes in the township area when it becomes organized. If the area is organized as a plantation, the publi lots remain, with certain restrictions, under the control of th forest commissioner, and incom at a stipulated rate is paid by th state to the plantation; if th area is organized as a town, th ontrol of the public lots and the und is turned over to the town o be added to its school funds.

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[6] P. L. 1937 Ch. 209.

[7] P. L. 1929 Ch. 305, Sec. 84.

STATE AID UNITS

Finally, the unorganized terri- ory units are grouped on a par ith municipalities for the pur- ose of allocating certain state unds for highway purposes; in ther words, they are units in a art of the state-aid framework. he county commissioners in eir capacity of "municipal offi- rs" of unorganized territory rea units receive such allocations highway funds.

It is interesting to note that a easure of the state administra- on of local government func- ons in the unorganized territory tends to various parts of the ganized area of the state. The w provides for coöperation with e United States government to ovide elementary school privi- ges to children residing on nited States government prop- ties; this work is supervised by e State Department of Edu- tion. In short, as far as the ministration of education is ncerned, these special areas in ganized places appear to be ouped with unorganized terri- ry.

A somewhat different sort of rangement exists in the case of e Maine Forestry District. This a special area, organized in 09 under the supervision of the te forest commissioner, in ich an annual tax of 2¼ mills imposed on the state valuation finance fire prevention and control. The act creating the district listed certain unorganized territory area units and organized places which were to be included in it. Subsequent statutes have made alterations in this list. In 1913 the legislature provided that any incorporated town or organized plantation adjacent to any part of the forestry district might vote to join it. There are today six plantations and eleven towns which have taken advantage of this authorization.

Although this district has been considered primarily in connection with the unorganized territory, it never has included all of this area. Its jurisdiction is not listed as covering any of the unorganized territory in Knox, Lincoln, or Sagadahoc Counties (4,185 acres). Islands comprise a considerable part of the unorganized territory in these counties; naturally they are not included in the district. It is important to note, however, that the deorganization of municipalities has added to the unorganized territory, without adding to the forestry district; this is a factor which appears to be of growing importance.

LIQUIDATION OF RURAL AREAS

Although a special act of the legislature is necessary in order to accomplish the deorganization of a municipality into unorganized territory, the public laws now contain general provisions for the administration of the liquidation of such municipalities. Under these provisions such areas may be required to bear certain of the expenses of governmental services to them. Hence such areas may constitute special cases of rudimentary local governments as far as fiscal responsibilities are concerned although they may also be areas in which special direct state administration operates.

The 1937 legislature, in its "Act Relating to the Termination of Organization of Towns and Plantations," provided that ". . . whenever the organization of any town or plantation has been terminated by act of the legislature, the powers, duties, and obligations relating to the affairs of said town or plantation shall be vested in the state tax assessor, until such time as said town or plantation is reorganized. Said state tax assessor shall have the power and authority to assess taxes at any time after the act terminating the organization of the town or plantation becomes operative, by making assessment once a year for two years under the laws now relating to the assessment of taxes in towns by assessors. Said state tax assessor shall have the same power and authority which tax collectors now have to enforce the collection of said taxes in any manner now provided by law."[8]

All moneys received from this assessment and collection are applied to the payment of: (1) Necessary expenses of the state tax assessor in making such assessment and collection; (2) Any outstanding obligations of said town or plantation; and (3) Expenses of completing any public works of said town or plantation already begun.

The act exempts the deorganized place and its property from the enforcement of creditors' claims for a period of two years after the termination of the town or plantation organization in question becomes effective—except where such actions are, in the opinion of the state tax assessor, necessary to carry out the other provisions of this law. The act then provides that ". . . during the period of control by the state tax assessor, the statute of limitations shall not run on any obligations of the town or plantation so deorganized."

STATE CONTROL OF FINANCES

A second and broader act providing for the exercise of local government functions by a state agency in certain areas of the unorganized territory was also passed by the 1937 legislature—the Emergency Municipal Finance Board Act.[9] This act appears to authorize complete control of certain municipalities by the board, and includes a statement that: ". . . This act shal apply to any towns or plantations that may be or may have been deorganized by act of the legislature." While the full meaning of the act is somewhat in doubt t appears to include all of the uthority for the liquidation of ffairs of deorganized places hich the 1937 legislature preiously had provided in the "Act elating to the Termination of rganization of Towns and Planations."[10] It also appears to inude the authority for special xation to finance school services certain places formerly organed which was provided in 1933 "An Act Relating to Schools Plantations and Unorganized erritory."[11]

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[8] P. L. 1937 Ch. 73.

[9] P. L. 1937 Ch. 233. For a discussion of this board see the NATIONAL MUNICIPA REVIEW, March 1938.

Clearly Maine's unorganized territory is governed under a quite unrelated set of statutes. State agencies, county governments, and municipal governments are all involved in carrying out local government functions in the unorganized territory, and yet its area units may in some degree be regarded as local government entities. Nevertheless, this mixture of government seems to work surprisingly well. It appears to have the coöperation of the lumber companies, even to the extent of effecting a kind of voluntary zoning whereby the companies try to avoid establishing isolated settlements which might entail considerable additional expense for the State Department of Education. Further, the public roads problem in the territory is mitigated by the fact that numerous private ways help to serve the transportation needs of the area.

It is important to note, however, that the unorganized territory as a whole is not a legal entity; it is merely the area in the state which is not covered by organized municipalities. Hence, for purposes of general property taxation the properties in the territory are merely valued as a part of the state valuation, which is the base of the state property tax and which, in the counties, is the base of county property taxes.

Properties in unorganized ter-

(Continued on Page 237)

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[10] It may be noted that in this act the thority for liquidation is placed in the nds of the state tax assessor, whereas broader authority for liquidation proled in the Emergency Municipal Finance ard Act is placed in the hands of the ard, of which the state tax assessor is member.

[1] P. L. 1933 Ch. 100. This act applies . . whenever there are two hundred more persons of all ages resident of unorganized unit which was formerly own or plantation, on April 1st of any ar. . . ." In such circumstances, the al cost of school privileges provided such area unit (under Rev. Stat. 1930 . 133-137) for the school year ending following June 30th (together with additional charge of 5 per cent for ninistration, but with a deduction of amount of interest on reserved lands such unit, if any, in said school year, a deduction of the amount such unit uld receive from the state under Rev. t. 1930 Ch. 19 Sec. 206-210) shall be ssed upon the property of said unanized unit by the State Bureau of ation and added to the state tax for year.

t is interesting to note that a number the early acts, pursuant to which nicipalities were deorganized, made cial provision for the administration of idation. In some cases this was done providing that the municipal organion should be continued for purposes liquidation; in other cases the county missioners were given special jurision for such purposes. Some of these provided that unexpended school funds should be turned over to state school authorities to be expended for specified school purposes.

Michigan Surveys Its State Government

Committee on Reform and Modernization of Government submits report to Governor with request that a further study be made of need for reorganization.

ARTHUR W. BROMAGE
University of Michigan

ON AUGUST 17, 1938, Governor Frank Murphy of Michigan created under authority of Act 195 of 1931 a Commission on Reform and Modernization of Government. The executive order provided: "The said commission is hereby authorized and it shall be its duty to make a study of means and methods whereby changes may be made in the procedure and structure of the state government that will provide greater efficiency and economy in the conduct of public affairs, improve the quality of the public service, and make the government more responsive to the public needs."

To the commission the Governor appointed a representative group of some eighty-seven members. He designated the Honorable Joseph R. Hayden, former vice-governor of the Philippine Islands and head of the political science department of the University of Michigan, to act as chairman.

The commission held its first meeting in Lansing on October 13, 1938. At that meeting the author of this note was elected secretary. Chairman Hayden made an extended statement to the commissioners pointing out numerous reforms in other states with reference to state legislatures, judicial administration, and administrative organization. The commission directed the chairman to appoint an executive committee. This executive committee served as an active working unit within the commission. In addition to the chairman and secretary, the committee included Mrs. Julius Amberg, Grand Rapids, form
president of the Michigan League
Women Voters; John H. Brennan, Detro
deputy attorney-general; Senator Earn
C. Brooks, Holland; Edward G. Kem
Lansing, legal advisor to Governor Mu
phy; Chester F. Miller, Saginaw, Sagina
superintendent of schools; Representati
Joseph C. Murphy, Detroit; George
Osborn, Sault Ste. Marie, publishe
Samuel D. Pepper, Port Huron, city a
torney; Claude H. Stevens, Detroit, form
state senator; Representative M. Cly
Stout, Ionia; Lent D. Upson, Detroit, d
rector of the Detroit Bureau of Gover
mental Research; and Edward H. William
Wayne County auditor.

Throughout its work the executive com
mittee was guided by a statement mad
by the Governor to the commission
October 13th. In his instructions t
Governor said: "Because of the fact th
your proposals may be far-reaching,
may be found desirable to make a pr
liminary report in the near future coveri
a brief survey of the governmental pictu
With such a report outlining the possil
scope of such an inquiry, stating inform
conclusions with respect to the need
comprehensive reform and special auth
ization by the legislature, the work
the commission could then be placed on
more permanent and solid basis with a
quate support."

The report prepared by the commit
was preliminary in nature, stated the n
of governmental reforms, and sugges
means and methods by which these
forms might be effected.

Members of the executive commit
were asked to prepare drafts on to
with reference to which they had spe
competence. In addition, certain me
bers of the commission and citizens p
essing specialized knowledge were asked
prepare other drafts. Early in Decem
the executive committee held a meeting
which a number of these drafts were c

idered. Some of them were approved in
vhole or in part; others were rejected.
The executive committee then appointed
drafting committee to put the prelim-
nary report in order. With a number of
mendments this report was approved by
he commission on December 20, 1938.

The preliminary report is brief and is
ivided into the following sections: intro-
uction, elections and political parties, the
egislature, the executive, the judiciary, and
roposal of a commission of inquiry. The
onclusion of the commission is that state
overnment in Michigan is not organized
s well as it might be for efficient and
conomical performance of the services
emanded of it. It is not sufficiently simple
structure and operation to be effectively
esponsive to the public will.

Therefore, the Commission on Reform
nd Modernization of Government recom-
ended that the legislature establish by
w a commission of inquiry into state
overnment and administration and appro-
riate adequate funds for its work. It
as estimated that a period of twelve to
fteen months would be required for the
ork of such a commission. On that basis
was urged that the commission of inquiry
required to report to the Governor on
before December 1, 1940. Thus, its
commendations would be available for
e legislative session of 1941. The com-
ission also pointed out that the question
a call for a constitutional convention
ust, under the constitution of Michigan,
submitted to the electorate in 1942.
such a convention were to be called,
e work of the commission of inquiry
ould be of great value to the delegates.
ould a convention not be called, the
ork of the commission would have pre-
red the way for modernization of state
vernment through legislative action and
ecific constitutional amendments.

The report of the Commission on Re-
rm and Modernization deals with prob-
ns that should be thoroughly reviewed
the statutory commission. Michigan has a very complicated electoral machinery. The people are called upon to vote at least twice a year for a long list of candidates running for some twenty-five different offices on three levels of government. They must vote not only for policy-determining officers but also for important administrative department heads. They must also pass upon constitutional amendments and, occasionally, upon statutes. Some of the results of this system are obvious. Popular participation in many elections is low. The vote for candidates for lesser offices is small in relation to the vote cast for candidates for more important offices. In addition, Michigan has a very complicated party system. The delegates to the state conventions in the odd-numbered years are chosen by county convention delegates elected in the primaries of the preceding fall. In fact, the whole party system is so complicated and obscure that only the seasoned politician can operate it.

The commission recommended that detailed consideration be given to the following matters: (1) short ballot; (2) frequency of elections; (3) reorganization of party machinery; (4) improvement of the initiative and referendum by eliminating the printing of entire measures on the ballot and by increasing the information available to the public on referenda; (5) readjustment of the administration of elections so as to make the Secretary of State the real, controlling election officer; and (6) compilation of the laws dealing with elections and political parties in one code.

As to the legislature the commission indicated that a minority of voters in the state elected a majority of the representatives. To remedy this condition the state should be reapportioned taking both population and area as basic factors. One of the most serious problems is the single-district plan for cities required by the constitution. Detroit, for example, elects a block of seventeen members of the lower house. This single-district plan has deprived the minority party in Detroit of any representation in the lower house. Again, the commission recommended consideration of the unicameral legislature and proportional representation. While the adoption of these principles would constitute major changes for Michigan—a state which has been inherently conservative—nevertheless, they could not be properly omitted from any survey of trends in state and local government.

Speaking of deficiencies in the law-making process, the commission asked for a review of the following points: the provision of an adequate salary for legislators; the establishment of annual sessions and of procedures designed to effect a better distribution of legislative activity throughout the session and reduce the number of bills passed during the few days immediately preceding adjournment; the use of joint committees; the organization and reporting of conference committees; the creation of a special calendar for gubernatorial and departmental bills; the setting up of an efficient fact-finding body under the control of the legislature, or the reorganization of the existing legislative council along these lines; and the establishment by law of an adequate legislative reference bureau and bill-drafting service.

As to the executive and general problems of executive organization, the commission considered the following matters to be basic problems in the organization of the state: (1) the practice of electing certain department heads; (2) the inadequate compensation of certain state officials, especially the constitutional officers; (3) the use of boards or commissions to head thirty major and nearly as many minor agencies in state administration; (4) the lack of a group of consolidated, unifunctional departments; (5) the lack of a Governor's cabinet and the use of the present state administrative board as a general supervisory agency; (6) the short terms of elective officials. The report criticized the state administrative board as an organizational unit. This board is made up of elective department heads together with the Governor. These officials are not always of the Governor's own party. The board meets publicly and acts in a more or less perfunctory manner. The real work is done in committee. Many of the Governor's best advisors and closest co-workers are excluded from membership in the state administrative board. Michigan uses the two-year term for the office of governor. It was suggested that a four-year term would be more satisfactory and that such a term should be applied to other major, elective officers.

The report points out with reference to managerial problems that the proposed commission of inquiry should give detailed study to the following matters: "(1) The continuous improvement of personnel administration through civil service and constitutional protection of the principle o the merit system of public employment (2) The extension and improvement of departmental reporting to the Governo (3) The creation of a central departmen of taxation to remedy the existing diversification of tax and revenue-collectin agencies. It is possible, however, tha desirable exceptions might be made to th authority of such a unitary agency. (4 The establishment of a department finance directly responsible to the Governo To this department might be assigned th functions of budgeting, accounting, controlling, and purchasing. This consolida tion would make possible the eliminatio of the existing confusion and duplicatio of fiscal controls among a number of administrative agencies." Finally, the commission underscored the very serious lac of a post-audit in state government Michigan.

As to the judiciary, the commissio stated that progress had been made recent years in the codification of crimin law and in the revision of civil procedu On the other hand there has been change in the selection of circuit judges

artisan primaries and elections. In 1934
he people of Michigan defeated a constitu-
ional amendment for nonpartisan judicial
lections. In 1938 they defeated an amend-
ent for the appointment of Supreme
ourt judges. The existing method of
lecting judges produces an acute problem
Wayne County (Detroit). For example,
the 1935 spring election there were 181
ndidates on the Democratic primary
allot to nominate candidates for eighteen
rcuit court judgeships. It was main-
ined that the commission of inquiry
ould study methods of selection in other
ates and that it should be possible to
ovide in Michigan for a plan or plans
hich would be more satisfactory than the
esent, partisan method of electing judges.

The strategy of recommending a com-
ission of inquiry and suggesting problems
r review by such a body was logical in
ew of Governor Murphy's explicit in-
ructions to the Commission on Reform
d Modernization of Government. Such
ctics were made all but inevitable by the
feat of Governor Murphy in his cam-
ign for re-election. The legislature of
ichigan and Governor Fitzgerald now
ld the keys to future development. They
n attack the problem by creating a
mmission of inquiry or by attempting at
ce to formulate some of the suggestions
statutes or as proposed constitutional
endments; they can allow matters to
ift—a policy which might lead to popular support for the call of a constitutional convention through the referendum on that question in November 1942.

MAINE'S UNORGANIZED TERRITORY

(Continued from Page 233)

ritory bear the general state and county property levies; properties in organized places bear the municipal property tax levy, which includes the state and county levies. Hence property taxation in the unorganized territory is a by-product of state-wide and county-wide taxation; there are no independent criteria to determine the taxation of the vast forest resources of the unorganized territory.

Possibly the fiscal problems of government in Maine, along with the geographical expansion of the unorganized territory to include more populated areas, will stimulate suggestions for the organization of a territorial government under the jurisdiction of the state. Such a development would encounter opposition, but it offers a challenging opportunity for pioneering in government.

Melbourne Modifies Its Century-old Governmen

Changes in charter of 1842 cover composition of council and qualifications of voters, as well as ceremonial customs and uniforms.

By F. A. BLAND
University of Sydney

ALL the capital cities in Australia are governed by statutes which differ in many respects from the general local government code which applies elsewhere throughout the several states. In recent years there has been a tendency to remove these distinctions, but the fact that more than half the population of the commonwealth is concentrated in the capital cities has both justified the differentiation and created obstacles to unified treatment.

Except in Brisbane, the capital of Queensland, and Newcastle,[1] the second city of New South Wales, there is no unified metropolitan government, as in London and New York. Inside the conurbations of Sydney, capital of New South Wales, and Melbourne, capital of Victoria, for example, there is a small area controlled by a city council, analogous to the city of London inside Greater London. These councils have their own charters obtained nearly a hundred years ago, long before there was any general system of local government for the rest of the states, and were modeled on lines similar to those drawn by the 1835 Municipal Corporations Act in England. Sydney's charter was fundamentally changed in 1857 after the abolition of its first city commission, but Melbourne's charter remained substantially in the form in which it was granted in 1842. The distinctive features of this charter relate to the composition of the city council, the property qualifications of electors, t
powers of the council, and a ritual asso
ated with certain ceremonial customs a
picturesque uniforms.

Customs have frequently caused derisi
because of their manifest inappropriatene
to modern conditions, and costum
because of their unsuitability to t
Australian climate. Illustrating an ou
worn custom was the ritual associate
with the annual election of the Lor
Mayor. The ballot remained open for a
hour, the time taken for a candle lighte
by the senior alderman to burn out. Th
intention was to avoid a snap election, fo
it allowed sufficient time during whic
a fleet horseman might ride to the cit
hall from the furthest "metes and bounds
of the city. This ceremony was conducte
for the last time during October 193
when the Lord Mayor of Melbourne wa
chosen for 1939, for an amending ac
has swept away this ritual as well as th
office of alderman.

Until this amending act, passed i
October 1938, Melbourne was governed b
a Lord Mayor, elected annually by an
from the twenty-four councillors electe
for three years from eight wards, and eig
aldermen coöpted by the councillors, o
for each ward, for a period of six year
In addition there were two assesso
elected for each ward, whose duty it w
to act with the alderman of that ward
revising the roll of citizens, and in co
ducting the election of councillors. To
eligible for election, a substantial proper
qualification was required, while electo
must be adult *occupiers* of a residence
shop of an annual value of £10, or reside
householders within the city or with
seven miles thereof. There was a syste
of plural voting, with a maximum of thr
votes enjoyed by owners of properti
rated at £100 or upwards.

Reformers attacked the office of alde
man as well as the franchise. Elsewhe

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[1] See NATIONAL MUNICIPAL REVIEW, February 1939, p. 164.

n Victoria there are no aldermen, and the ranchise is enjoyed by all "five-pound" dult occupiers, not owners. The aldermen ere resented because they were not popularly" elected, and because they nded to remain in office for life, although gally they were coöpted for six years. espite the fact that coöption enables a ouncil to obtain men with special experi- ice and ability, the aldermen were cluded. Henceforth the city council ill consist of councillors only, elected r three years.

The franchise presents a perennial olitical struggle. Labor governments and for adult franchise, and are opposed property qualifications whether of can- dates or electors. In Victoria there is Country party government which con- ns no minister or member representing constituency within thirty miles of elbourne. It is kept in office by the bor party. The government proposed introduce an occupier franchise which eant handing the city government over electors consisting of caretakers, hotel- d boarding-house keepers. The owners, ose property provided the basis of the y's revenue, would be disfranchised be- use they mainly live outside the city's undaries. As a result of opposition in Legislative Council [the upper house the Victorian legislature elected on a perty qualification], the government npromised and Parliament finally eed to an owner-occupier franchise. ners, whether individuals or corpora- ns, will have one vote for property of annual value of £50 and a maximum two votes for property of an annual ue of £100 or more.

he present government has tried twice pass a bill to create a Greater Mel- rne, but has been defeated on the issue the kind of authority and its powers. agitation rages around the desirability (1) an elective unitary authority for whole metropolitan area, (2) an elec- authority for metropolitan purposes, with suburban authorities, as in London, and (3) an authority, indirectly elected like the old London Metropolitan Board of Works, with specific metropolitan powers, leaving to the city and suburban local government bodies the ordinary domestic municipal duties. The struggle for Greater Sydney and Greater Melbourne illustrates the extent to which desirable reforms are continually deferred because of the fear of the use to which political labor would put the power it would inevitably obtain on any popularly elected body.

ONE IN EVERY NINE WORKS FOR THE GOVERNMENT

(Continued from Page 212)

able, and scattered. A surprising number of governments apparently keep no consolidated personnel records of any kind.

There is now no single source of comprehensive information on government employment and payrolls from which detailed figures by individual states, cities, and other governmental units are available for analysis. One excellent source gives national estimates by principal types of governmental unit, but no data for individual states or cities. The two other principal sources have published data for individual large cities, but not for other units of government, although the Bureau of the Census has been able to collect quarterly employment data from many states for 1937. It is to be hoped that compilations of detailed data on employment and payrolls for all types of local governments will soon become feasible.

Toledo Seeks Good Councilmen

EDITOR'S NOTE.—Toledo will elect its second council under the city's manager charter next November by proportional representation. The City Manager League, organized to secure and keep good government in Toledo, is now engaged in the task of securing councilmanic candidates worthy of its support. In this connection it has recently passed the following resolution, setting forth the characteristics it considers essential for a member of the city's legislative body.

WHEREAS, The City Manager League of Toledo is a voluntary organization of citizens for the purpose of promoting and supporting honest and humane municipal government in Toledo under the city manager charter; and

WHEREAS, the quality and success of the city government is determined by the character and ability of the members of council;

NOW, THEREFORE, BE IT RESOLVED that any candidate for council, who may be endorsed and supported for election by The City Manager League, shall possess the following qualifications:

First: He shall be honest and honorable in all matters, private and public.

Second: He shall be sincerely devoted to serving the best interests and welfare of the entire city and all the citizens, rather than some group or section.

Third: He shall be an enthusiastic supporter of non-partisan and non-patronage council-manager government, in which the council determines policies and enacts legislation, and delegates the administratio to the city manager and his appointees chosen only on basis of merit.

Fourth: He shall be unqualifiedly committed to the principle of "Equal right for all and special privileges for none."

Fifth: He shall actively support th principles of civil service and its administration to the end that favoritism o every kind may be eliminated and th selection, promotion, and retention of city employees may be determined solely upon the basis of merit and ability.

Sixth: He shall devote sufficient time to his duties as councilman to become acquainted with the affairs and busines of the city government so that he may exercise an intelligent and independen judgment in the consideration of it problems and policies.

Seventh: He shall coöperate in th formulation and execution of a long rang plan for public improvements and services designed to provide the greatest possibl benefits for all the citizens.

Eighth: He shall at all times insis upon the strict enforcement of law, withou favor or discrimination, to the end tha crime and vice may be reduced to minimum.

Ninth: Finally, he shall possess soun judgment and ability, be independent i thought and action yet open-minded an considerate, free from any selfish influenc have courage to fight for right and prin ciple, and be willing to coöperate wit others to serve all the people at all time

Milwaukee Research Bureau Investigates a Grab Bag

inds Disposition of Highway Funds Is a Governmental Shell-game

elief the Same the Continent Over, Toronto Research Report Shows

KITING checks and borrowing from Peter to pay Paul are financial exer- ises probably not commonly indulged in y the American electorate, which has een largely subjected to Puritan-tinged ublic education. That is why the seven- en mimeographed pages issued in January 939 by the **Citizens' Bureau of Mil- aukee** and titled *Highway Legislation ecommended to Increase Milwaukee's eturn of Automobile License Fees and asoline Taxes Paid* should provide an teresting and amusing half-hour for many embers of that electorate.

For the Milwaukee bureau's excursions to the mysteries of the disposition of hicle and gasoline taxes and highway nds illustrates the Peter-Paul type of vernmental financial transaction in its ost ludicrous and complicated form. The mbination doughnut and pie graph which orns the cover of the report merely ms up the situation. "For Each $ Mil- ukee Pays," runs the legend, "Milwaukee ts Back 36c and the State Keeps 64c." t that, as the succeeding pages of graphs, bles, and text show, is not the half of i Complicated tax collection and popu- l ion formulas, federal-aid requirements, l al exigencies—it would not be surprising t discover that sun spots have something t do with it, too—conspire to send high- y funds where, the Milwaukee bureau l ds, they should not fairly be. The reau thinks that Milwaukee's towns, c es, villages, and county board should r eive at least $2,000,000 additional auto- r bile revenues, and computes that not c y would it then be receiving back f y-three cents for every dollar paid out, but would also add at least $500,000 more to the local highway funds, since the additional revenue would enable it to match federal-aid highway funds.

It may be that the Milwaukee attitude is selfish, that Milwaukee should be glad to share the highway wealth with less well padded parts of Wisconsin. In that controversy there is no point in mixing.

But the whole matter brings out, with the clarity of a jig-saw puzzle, why few of our simple-minded, public school educated citizens can understand the tax and revenue situation. Funds travel a devious route indeed, in transit from taxpayer's pocket to taxpayer's backyard. No wonder the ordinary citizen thinks that state aid or federal aid is a Christmas present!

Relief Speaks the King's English Too

To those who feel, perhaps a little resentfully, that by virtue of the colder northern air or some other cultural astringent, Canadian local government is less beset by ills than local government in the States, White Paper No. 237 (January 24, 1939) of the **Toronto Bureau of Municipal Research** should bring a perverted kind of cheer. The leaflet entitled *"Relief" Story No. 1* is to the point and not a little bitter.

"Direct unemployment relief has appeared in Toronto's civic accounts every year since 1920. The city's share has, since 1920 at least, increased from about $23,000 to about $2,800,000. It will be with us in 1950. The amount depends largely on what is done in the near future by the three levels of government in which the citizens and taxpayers of Toronto are, viz., the dominion, the province, and the city."

Sounds familiar? But read on.

"It is fairly evident that in Toronto at least the problem of unemployment is far from solved. It is admitted by most that a local solution is impossible. It is a nation-wide problem and demands a national solution."

It will come as a relief to some chronically apprehensive citizens of the United States that the Toronto bureau does not contemplate asking Washington for a handout but is, instead, looking to Ottawa. The bureau repeats its recommendation of 1935 that "unemployment relief [apparently this is equivalent to relief for employables] be transferred bodily to the national-provincial field; and chronic relief be retained by municipal authorities."

Resemblances do not cease at that point. Four new bureau recommendations stress that (1) relief recipients should render municipal work in exchange for aid; (2) relief costs should be budgeted in the current municipal budget and thus, even if the money were borrowed, "the amount borrowed from current relief would be the amount of the current deficit . . . [thus] the annual deficit would [be] staring the taxpayers and citizens in the face and policies which should have been adopted could not so easily have been side-stepped"; (3) a larger share of current relief costs should be paid out of current revenues; (4) administration should be made more efficient.

The Toronto bureau's relief series begins at a time when a similar series (whose initiation was discussed last month in these pages) by the **New Orleans Bureau of Governmental Research** is drawing to a close. Here are some of the bureau's final conclusions, as stated in its bulletin of February 6th.

> The state has taken over the administration of most of the direct relief activities in Louisiana with consequent puzzling problems of state-parish relationships, such as state-wide relief standards, personnel management, and fiscal control.
>
> Improved personnel administration of state and local welfare employees is a major need.
>
> Earmarking specific taxes for relief is seriously open to question. Improved financial plans as to revenues, budgeting, and control are needed.
>
> Rehabilitation of recipients of relief to a point of self-support should have increasing emphasis.
>
> City "alimony," or grants to private charity agencies, should be put on a more business-like basis.

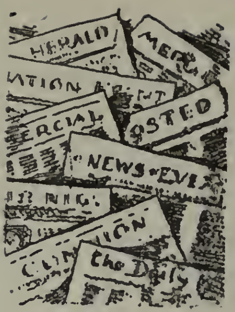
A footnote to the latest research bureau relief findings is provided by the **Buffalo Municipal Research Bureau** in its *Just a Moment* for January 19th. The bureau says that tax laws will force the county and the city eventually to budget in the current tax levy the entire cost of relief, although at present only 20 per cent of the net cost of relief is budgeted in the county levy. As an "out" for local taxpayers, the Buffalo bureau indicates, the state is being urged to assume relief costs, to be financed either by a state sales tax solely for relief purposes or by an increase in income taxes through the lowering of exemptions. "Either," says the bureau "would be unpopular but preferable to a increased burden on real estate."

Portrait of a Government

Rhode Island has just joined the state with "reorganized" government and th **Providence Bureau** follows up with chart "Showing Functions by Departments as Provided By the Administrativ Act of 1939." The visual-minded citize who is awed, frightened, or depressed b the formidable titles of governmenta departments may have government brough a little closer to him by the bureau' thoughtful picture. In addition to bein easy to look at, the chart shows summaril what every department does. It is th sort of thing some practical people lik to frame and hang on an office wall.

Recent

Vews Reviewed



tate Legislatures Consider Vital Problems

Administrative Reorganization in Rhode Island, Tennessee, and Alabama

hool for Legislators Proves Success

By H. M. OLMSTED

Rhode Island Governor Signs Reorganization Bill

On February 7th Governor William H. nderbilt of Rhode Island signed the organization bill for that state, and ued an executive order postponing the tual transfer of functions between the rious agencies until the reorganization n be put into effect and retaining all esent department heads until replaced.

According to the Providence Governntal Research Bureau the apparent mary purpose of the measure is the mination of rigid departmental organition established by the reorganization l of 1935. Elasticity is obtained in the w act by giving department heads, with approval of the Governor, the right organize the internal administrative chinery in such manner as seems exlient and efficient.

The next most important provision is umed to be the unification in one detment of the functions of assessing and lecting taxes, the budgeting and accounting of all funds, and the purchasing of all supplies. Relief administration has also been centralized in the Welfare Department.

Tennessee State Administrative Organization Changed

The General Assembly of Tennessee has acted favorably upon measures sponsored by Governor Prentice Cooper that revise the state administrative organization in several particulars. The reorganization effected in 1937 under Governor Gordon Browning has been described in the July 1937 issue of this REVIEW and by A. E. Buck in *The Reorganization of State Governments in the United States.*[1]

The first major change is the division of the former Department of Welfare and Institutions into the Department of Institutions and the Department of Welfare. The second important feature is the abolition of the former Department of Administration. The former divisions of that department, namely, budget, accounts, personnel, purchasing, and safety (highway patrol), are retained as departments or bureaus headed by directors who are responsible to the Governor. The disposition of the former local finance division is not clear from press releases; it had been relatively inactive under Governor Browning's administration, however.

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[1] New York City, Columbia University Press, 1938.

The Bureau of Public Buildings is said to be directly under the supervision of the governor in the new organization.

The state merit system is affected also by the delegation of authority to the Governor to control the appointments, dismissals, and salaries of all statutory officers and employees. Under the previous personnel statutes, employees were removable by the department heads, and salary changes were subject to the approval of the personnel and budget divisions. Since the first of the year recruitment examinations have been given for several positions in the Unemployment Compensation Division of the Labor Department, and for some three hundred posts in the finance department. Governor Cooper has announced his intent to establish a personnel system that will function in the interests of merit and efficiency. According to latest reports, a bill will be introduced to establish a board to administer the state personnel system. It remains to be seen how the proposed board and the present statutory provisions will be coördinated.

LYNDON E. ABBOTT

Tennessee Valley Authority

Arkansas Legislature Goes to School —and Likes It!

When the Arkansas General Assembly convened on January 9th, its new members, most of whom had had no previous legislative experience, were already oriented to its processes and procedures. The new members of the 1939 legislature had the advantages afforded by the second biennial Institute of Legislative Procedure—a school for legislators conducted coöperatively by the University of Arkansas and the General Assembly. This school was held in the capitol building on November 22nd and 23rd last. Of the 135 members of the legislature, ninety-eight attended.

The purpose of this school, which was held for the first time in November 1936, is two-fold: (1) to inform legislators of the constitutional and statutory provisions affecting legislative acts, to enable nev members to draft their bills in prope form; (2) to explain how a legislator ma introduce his bill, secure its consideratio before a committee, bring it back befor the house, and obtain a final vote on hi measure. Problems of parliamentary procedure are thoroughly discussed. Eac legislator is given a manual, prepared b the parliamentarian of the House, explaining the rules of both chambers. No discussion is permitted of any issue or matters other than those pertaining to th organization and procedure of the legislature.

The "faculty" of the institute consist of seven veteran legislators headed by member of the university staff acting a director. The school is conducted in moc legislative sessions, the seven veteran legislators carrying on the procedure, pausin at intervals for explanatory remarks.

Considering the fact that fifty-four mer bers of the House of the 1939 Gener Assembly had not had any previous legi lative experience, the value of the institu becomes immediately apparent. As evince by their attendance the school is extreme popular with the old-timers of the legi lature as well as the neophytes. Old members have an opportunity to refre their own memories on procedure. Pe haps even more appealing to them is t chance for "pre-session" conferences to s cure places on important committees a jobs for constituents as employees of t legislature.

HENRY A. RITGEROD

Bureau of Municipal Research
University of Arkansas

Home Rule Legislation for New Yo

In order to make operative the ho rule amendment to the New York St constitution, adopted at the Novem election, proposed legislation has been troduced in the New York legislature wh seeks to enlarge the self-governing pow of cities, to prevent the enactment

pecial state laws affecting the affairs of
ities except upon official request of the
ɔcal governments, and to enable the cities
ɔ get relief from special mandatory laws
assed since 1923 by the legislature.

Majority of Governors Speak for Civil Service

According to a check-up by the Na-
onal League of Women Voters, more than
lf of the governors in the forty-three
ates where legislatures are in session
mmended the merit system in their in-
ugural addresses or opening messages to
e legislatures. Twenty-three spoke in
favor in terms ranging from "the
rnerstone of our administration" to "a
ate police system on a merit basis";
ur made no specific mention but included
e merit system by inference or reference
party platforms. Thirteen of those
ving definite recommendation were
emocrats, out of twenty-three Demo-
atic governors of states where legisla-
res are in session; ten were Republicans,
t of eighteen of that party.

The survey by the league was to help
ovide a factual background for a
"ircuit Riding for Civil Service" tour in
lahoma, Kansas, Colorado, Minnesota,
ichigan, and Tennessee starting February
h and ending March 2nd.

gislative Employees Placed in Merit System

Action by the Minnesota House of
presentatives to put its employees un-
the merit system marked the first civil
vice legislation of 1939, according to
Civil Service Assembly of the United
tes and Canada. Qualifications are to
ascertained by examination. More than
ety employees are included in the or-
. Most states with civil service laws
mpt legislative employees, according to
assembly. Wisconsin, however, has for
eral years applied the merit system to
rical forces in the state legislature.

Idaho Moves Toward Merit System

The first step toward the merit system in state affairs was taken in Idaho in the adoption by initiative last November of a law providing for an efficient game department. Moreover, Governor Bottolfsen has publicly favored a general state merit system and, although sentiment is divided, an advance in that direction by the legislature is hoped for.

Civil Service Setback in Arkansas

The recent repeal of the state civil service law in Arkansas was caused, according to John N. Heiskell, editor of the *Arkansas Gazette,* writing in the Civil Service Assembly *News Letter* for February, by (1) blanketing in of existing employees and the failure of the legislature to provide funds for determining their merit ratings; (2) patronage desired by legislators; (3) too many appointments from Little Rock and vicinity (due to lack of funds for examinations elsewhere); and (4) lack of exertion by Governor Bailey to save the law which he had advocated.

State Administrative Reorganization Proposed for Alabama

Culminating several months of intensive investigation, Governor Frank M. Dixon, in his first message to the legislature on January 17, 1939, proposed a thorough reorganization of the state administrative machinery. Noting that a study of the administrative setup in Alabama revealed some 115 different boards, bureaus, and agencies, Governor Dixon outlined in some detail his ideas concerning the reshaping of the administrative structure in order to provide efficiency, economy, and improved service.

The principal recommendations are as follows:

1. A state merit system.
2. Substitution for the Tax Commission of a single director to be known as the commissioner of revenue with an increased salary which would permit the employment

of an able man. The Governor estimates that not less than $300,000 per year can be saved through internal administrative reorganization.

3. Replacement of the present three-man Highway Commission with a highway director drawing a salary sufficient to attract a capable person. Expected saving, $300,000.

4. A Department of Finance, headed by a director of finance, with the following divisions: purchases and stores, budgeting, service, control and accounts, and local finance. It is the hope of the Governor that the head of this department will become the chief staff officer.

5. A consolidated Department of Conservation with the following divisions: game, fish, and sea foods; forestry; and state parks, monuments, and historical sites.

6. Combination of the various welfare functions of the state in a Department of Institutions and Public Assistance consisting of the following divisions: public welfare, corrections (prison system), and probation and parole. The Department's director would also serve as a coördinating agent for the several eleemosynary institutions without interfering in their actual management. A Board of Pardon and Parole is proposed which would assume all duties of this nature now performed by the Governor with the exception of the commutation of death sentences.

7. A Department of Industrial Relations comprising the following divisions: unemployment compensation and employment service, workmen's compensation, mediation and conciliation, safety and inspection, and statistics and research. Associated with this department would be a Board of Appeals with the duties of passing finally on proposed safety codes and hearing appeals from rulings of the unemployment compensation office.

8. A Department of Commerce with the following divisions: banking, building and loans, and insurance.

9. A Legislative Council composed of members of the House and Senate which would be charged with the duties of suggesting research studies to the Division of Legislative Service, and preparing a legislative program.

10. A Division of Legislative Service "charged with the duties of studying the operation of our laws, making such other studies as may be demanded, drafting legislation at the request of members of the legislature, and coöperating in every way with the Legislative Council."

11. An appropriation for the State Planning Commission created in 1935 which would permit this agency to assume an active role in the planning field.

12. Legislative reapportionment on th basis of present population. No reappor tionment has been made in Alabama sinc 1901.

Accompanying each proposal Governo Dixon submitted bills which would carr out his recommendations. Since consti tutional amendments will be required fc some of the changes, the present plan to provide for a special election to t held in the early part of the present yea following which the legislature will rea semble to act upon such of the constitu tional amendments as have been approve at the polls.

The elimination of the spoils system t the creation of a state merit system w the first suggestion made by the incomi governor. The program is now receivi the active attention of the legislature, a there is some justification for the beli that a considerable portion of it will r ceive legislative approval.

R. Weldon Cooper
University of Alabama

Governmental Progress in Kentuck

Legislative Research Intensified

The staff work of the Kentucky Leg lative Council has been reorganized unc the leadership of J. E. Reeves, new resea irector. The staff is small, and is guided y (a) a desire to coördinate research in ate and local government scattered hroughout several agencies in the com- onwealth; (b) a desire to coördinate ate planning and the research work oking toward more immediate legislative anges; and (c) the idea of confining the ork done directly by the research staff fact-finding on projects almost certain be of significance, irrespective of the litical complexion of the next General sembly.

After operating a few weeks under this an, it is apparent that the research encies connected with the state's institions of higher learning are not only lling but eager to participate in such a an. Studies made by these agencies ich contain legislative recommendations ll be submitted to the council. In addi- n, several of them have expressed llingness to undertake studies recom- nded by the council, or to advise the ff members or review manuscripts at y time.

everal departments of the state govern- nt have also shown an eagerness to par- ipate in such a program. They have mitted lists of research projects, either ng worked on at present, or which they uld like to see investigated. Coördina- n of legislative and administrative nning is insured by the action of the vernor in appointing the administrative mbers of the council's interim commit- to the planning committee of his Cabi- . This also insures coöperation between state planning staff and the council's arch staff. It is contemplated that the ncil will meet in the early spring to gnate subjects for investigation by the arch staff. Meanwhile, the staff is king contacts throughout the state and paring a study of county finance.

Personnel Efficiency

he administration of the State Division Personnel Efficiency in Kentucky appears to have received recent stimulation of considerable importance. One symptom is the completion in a satisfactory manner of examinations for enlargement of the Unemployment Compensation Commission staff to take care of benefit payments. For this purpose an outside chief examiner was brought into the state, and all preliminary planning and examinations were conducted in such manner that there has been no criticism. The administration of the commission's division setup for handling benefit payments has been so effective, largely as a result of the qualifying examinations and the handling of personnel matters generally, that it develops the office is overstaffed.

A second indication of renewed vigor is initiation of a comprehensive re-examination of the classification and of the examination procedures. After finishing certain preliminary work, the director of the Division of Personnel Efficiency with the coöperation of the Department of Revenue is attacking that department's personnel as its first step in reclassification, largely because the Department of Revenue has changed to a larger extent than have other departments since the original classification nearly two years ago.

Municipal Civil Service

Significant among current developments in Kentucky municipal government is the present accelerated interest in comprehensive civil service and pensions for municipal employees. Until recently Louisville, Covington, Lexington, Paducah, Ashland, Newport, and Owensboro were the only cities with any provision for a merit system; and in each instance, with the exception of Louisville, the local civil service measures applied only to employees of the police and fire departments. Pursuant to enabling legislation enacted during the 1938 session of the General Assembly, Lexington and Covington have passed ordinances which extend civil service to all city employees and provide for actuarially sound pension systems. The classified service, as provided by each of these ordinances, includes all non-elective employees, officers, and department heads except the city manager, employees of appointive boards and commissions, city physicians, and those persons regularly employed for nine months or less during the year. The pension systems provide for ordinary disability retirement, accidental disability retirement, and death benefits.

A similar measure is being prepared for the city of Bowling Green; and the matter is being given serious consideration at Corbin, Frankfort, Henderson, and Newport.

JAMES W. MARTIN
Commissioner of Revenue, Kentucky

Tennessee Municipal Housing Authority Statute Held Constitutional

Tennessee's municipal housing authority act, passed by the General Assembly in 1935 and amended in 1937, was held constitutional by the State Supreme Court in a declaratory judgment. The Knoxville Housing Authority brought suit against the city of Knoxville to determine its legal status. The state enabling statute provides that cities may establish a housing authority with power to investigate housing conditions, to clear slum areas, and to erect and operate housing projects for low income groups. The housing authority may issue bonds and exercise the power of eminent domain.

The court declared that slum clearance is a public purpose because of its direct connection with the health, morals, and general welfare of the citizenry. It stated: "The conception of a public purpose must necessarily broaden as the functions of government continue to expand." The feature of the law exempting the bonds and property of the housing authority from taxation was deemed proper because the authority is an agent of the city that creates it, and the property therefore belongs to the city. The court also found that the discretion granted the authority in determining the type and extent of projects is not a delegation of legislative power in the sense prohibited by the state constitution.

LYNDON E. ABBOTT
Tennessee Valley Authority

Nine New Cities Secure Manager Government

The amendment to the **Knoxville, Tennessee,** city charter, restoring the manager plan of government, has now been passed by the legislature and signed by the Governor. Under its terms the manager plan will again go into effect on January 1, 1940.[1] The legislature has also passed a bill providing the manager plan for **Johnson City, Tennessee.**

Greendale, Wisconsin, the federal government's model community not far from Milwaukee, voted on February 25th to adopt the manager plan of government.

Houlton, Maine, on March 2nd, ratified a manager charter previously approved by the legislature. The vote was 995 to 500.

Abilene, Kansas, adopted a manager plan charter on March 1st by a vote of 1001 to 682.

Sioux City, Iowa, also voting on March 1st, defeated a proposed manager charter.

The city council of **Fort Collins, Colorado,** has recently passed an ordinance providing for a city manager, to take over his duties on March 1st.

The city council of **Harrisonburg, Virginia,** has voted to establish a city manager (by an ordinance to be drafted and adopted in the near future) who will have charge of the finance, electric, water, street, welfare, sanitation, fire, and real estate departments, and will also act as purchasing agent. He will be responsible to the mayor and city council. The chief of police, as head of the ninth department, will likewise be responsible to the mayor and council. The manager plan is in accordance with a report of Mayor Ward Swank's special committee on municipal affairs. The council also created the office of city clerk-auditor, who will be in charge of a new system of cost-accounting, bookkeeping, and billing installed under the supervision of the state auditor of public accounts.

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[1] See "Tennessee Legislature Destroys Knoxville's Council-Manager Government," NATIONAL MUNICIPAL REVIEW, December 1937, page 362.

In **North Muskegon, Michigan,** a "city superintendent" recently was appointed; he holds the titles of police chief and fire chief and is also head of the water, sewer, and street departments, and purchasing agent as well. The appointee is a former alderman.

The council of **Hearne, Texas,** on January 9th passed an ordinance creating a modified form of manager government. The manager does not have full administrative powers, however.

At the insistence of Mayor Fletcher Bowron of **Los Angeles, California,** the city council on February 6th voted ten to four to create the post of "assistant mayor," and appointed Arlin E. Stockburger, state finance director under ex-Governor Merriam, for a six-months period. His task is reported to be the reduction of the city's governmental costs by one million dollars annually. Opponents charged that the action taken was the first move to change over to the city manager plan.

The council of **Seaford, Delaware,** has voted to revise the charter to provide city manager government. When completed it will be presented to the Delaware legislature for approval.

Duluth, Minnesota, will vote on a council-manager charter at the general city election on April 4th; if adopted, the election of councilmen will probably take place in June, and officials chosen on April 4th will serve only until the new council is elected. The proposed charter provides for a council of nine instead of the present commission of five. Four members would be elected at large, and one from each of five wards.

Davison, Michigan, will vote on the adoption of a charter containing provision for a manager (to be known as city superintendent) March 13th; **Midland** and **Allegan, Michigan,** will vote April 3rd on the election of a charter commission. **Clarksburg, West Virginia,** will hold a similar election April 18th.

In **South Euclid, Ohio,** the effort to continue the mayor plan of government when South Euclid becomes a city in 1940 received a setback when the charter commission, sitting as a committee of the whole, voted nine to four to recommend adoption of the manager plan. The charter will be submitted to the voters in May.

Five bills sponsored by the Chicago City Manager Committee were introduced in the **Illinois** House of Representatives February 7th by two Chicago members, James W. Linn, Democrat, and David I. Swanson, Republican, and by W. O. Edwards of Danville, Democrat, and Frederick W. Rennick of Buda, Republican. They would enable any city to adopt the manager plan and proportional representation and are substantially the same as the bills that were defeated in 1937 and 1938, except in three respects: (1) for cities with more than 500,000 population (i.e., Chicago) the number of councilmen is increased from nine to eleven; (2) civil service administration is under a personnel director appointed by the manager, but there is also created a civil service commission consisting of the personnel director and two members appointed by the council; (3) initiative and referendum are provided for. The bills are believed to have much better chances of success than heretofore.

The **Colorado** Municipal League is sponsoring two bills which would permit cities to adopt either the commission plan or the council-manager plan of city government. At present only the mayor and council plan is available to Colorado cities of less than two thousand population, while those of larger size can exercise home rule powers, draft their own charters, and establish any form of government the citizens desire. This is a long, difficult, and expensive procedure, however, as four elections are required. The new bills would permit any city to adopt either of the two plans by a majority vote of the electors.

The city council of **Cumberland, Maryland,** on February 6th by a vote of five to three, went on record as being against the city manager plan, but at the same time unanimously approved Mayor Thomas W. Koon's proposal that the General Assembly be asked to pass a bill permitting the citizens of Cumberland to vote on the plan.

The Chamber of Commerce of **Circleville, Ohio,** has devoted several meetings to discussion of the manager plan. Professor Helms of Ohio State University spoke on the subject. A committee has been appointed to make recommendations.

In **West Springfield, Massachusetts,** a committee is actively at work with the aim of revising the local government to conform with legislative plan "E" (city manager and proportional representation).

An act to establish council-manager government for the town of **Lincoln, Maine,** was introduced in the legislature before the deadline February 3rd. If the plan should be adopted it could take effect in 1940.

A town manager charter for **Caribou, Maine,** has been drafted. A manager charter for **Gardiner, Maine,** is before the state legislature.

A companion proposal to the senate bill providing for the adoption of the city manager plan of government with proportional representation in third class cities in Pennsylvania would widen the scope of the legislation to include the city of **Scranton.**

In **San Antonio, Texas,** a Council-Manager League has been formed, with the purpose of bringing about a charter election on the city manager plan.

Mayor William W. Pratt of **Richland Center, Wisconsin,** is an advocate of the manager plan.

Voters of **Pittsfield, Maine,** on January 6th, rescinded a previous vote to petition the legislature for a town manager charter.

Petitions asking for an election to "test the sense" of the voters on the manager plan have been filed with the city council in **Poplar Bluff, Missouri.** The election has been called for March 15th.

The bill to give **Little Rock** power to frame and adopt a city manager charter, referred to in our last issue, has now been passed by the Arkansas legislature and signed by Governor Bailey.

The **Indiana** legislature has passed the bill, referred to in our last issue, setting up a commission to study the manager plan.

After a stormy session, the common council of **Madison, Wisconsin,** voted against suspension of the rules which would have been necessary in order to vote to submit the manager plan of government to the city at the April 4th election. This means that if the question is to be submitted at that time it will be necessary to file petitions signed by 3,500 voters.

Manager government for **Oregon** counties is proposed in a bill introduced in the lower house of that state by Representatives French, Simon, and Snyder.

A bill making the manager plan optional for **Ohio** counties is now before the legislature of that state.

In **Yonkers, New York,** the American Labor party, which opposed city manager government in the referendum campaign last fall, is reported to be opposed to any move that will hamper the operation of the new city manager setup.

A petition for a special election on whether to retain or abandon the manager plan in **Webster City, Iowa,** has been rejected by the city council because of an insufficiency of valid signatures.

The Georgia legislature is considering bills to give the manager plan to **Quitman, Athens, and Manchester.**

In **Trenton, New Jersey,** a movement to revert to the old commission form of government has recently been initiated, under the leadership of County Prosecutor Andrew Duch. The group has set up headquarters and is now circulating petitions to obtain the required number of signatures—20 per cent of the registered voters—for a referendum on the question. Trenton has experienced a constantly rising tax rate which, in the popular mind, may be associated with the manager plan.

Other municipalities where interest in the manager plan is being shown include **Pueblo and Golden, Colorado; Laurel, Delaware; Augusta, Georgia; South Braintree and Newton, Massachusetts; Frederick, Maryland; Poughkeepsie, New York; Altoona, Pennsylvania; Atlantic City and Englewood, New Jersey; Cranston, Rhode Island; Bridgeport, Connecticut; Ste. Genevieve, Missouri; and Bar Harbor and Westbrook, Maine.**

Taxation Fellowships

Ten graduate fellowships in the field of taxation and public expenditures are again being offered by the University of Denver under a grant from the Alfred P. Sloan Foundation.

Advanced Police Instruction in Washington and New York

The tenth session of the National Police Academy, lasting twelve weeks, is being conducted in Washington by the Federal Bureau of Investigation under the supervision of J. Edgar Hoover and other "G-men." Officers of forty law-enforcement agencies in many parts of the country are attending. Crime detection, criminal identification, and other important matters of police interest are taught.

Ten New York City policemen have been awarded scholarships for advanced study in a special course this term in traffic control and community safety at New York University's national Center for Safety Education. Prominent guest lecturers from police and safety circles will assist in the instruction.

Courses in Career Service Increase

A directory in the 1939 *Municipal Yearbook*[1] shows that courses in public administration are offered at 150 colleges and universities in the United States. Eleven more institutions are listed than last year, and twenty-three more than two years ago. Sixty-nine offer a curriculum or special program rather than a single course in an effort to prepare students for careers in general administration.

Stockholm Housing and Planning Congress

The International Federation for Housing and Town Planning (47 Cantersteen, Brussels, Belgium) has arranged to hold its 1939 international congress in Stockholm, Sweden, July 8th to 15th. There will be lectures and discussions on house building for special groups, town planning and local traffic, and the administrative basis of national planning. Following the sessions there will be a choice of two extended study tours, from Stockholm to Copenhagen, and one shorter tour.

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[1] Chicago, International City Managers' Association.

County Consolidations vs. County Secessions

City-County Cooperation in Kentucky

By **PAUL W. WAGER**

San Diego Wants to Secede from County

The city of San Diego, California, is contemplating withdrawing from the rest of the county in which it is located and setting up a consolidated and unified city-county government within its own boundaries. Numerous steps are necessary, however, before such a move may be consummated.

An election will be held March 28th on the first steps necessary, i.e., a decision as to whether a board of freeholders shall be elected to prepare for such separation, and the election of the members of the board if the voters give the matter their support.

Consolidation Considered in Georgia Counties

Last September the grand jury of Glynn County appointed a committee to investigate the feasibility of consolidating the governments of Glynn County and the city of Brunswick, or the consolidation of corresponding departments in city and county. The committee has met and taken steps to start investigation to ascertain the amount of saving that might be expected from either type of consolidation.

A proposal has been made in Bibb County for the merger of the county government with that of the city of Macon. The proposal grew out of discussions for the extension of the city limits. Many who protested the annexation of suburban areas to the city indicated a willingness to see complete consolidation of the two political units.

A Rural County Tries Consolidation

Students of rural local government will doubtless be interested in the efforts and experiences of officials of Hardin County, Illinois, in consolidating road districts. Hardin County is distinctly rural. In 1930 it had a population of less than seven thousand. Its largest town has a population of less than two thousand. It is organized under the commission type of government, as distinguished from township organization.

Until January 1939 the county had been divided into four road districts, each district having an elective commissioner and clerk. On January 9th the Board of County Commissioners, with the advice of the state's attorney, Clarence Soward, abolished the four districts and formed a new district coterminous with the county. This new district will have an elected commissioner and clerk and represents the greatest degree of consolidation in highway administration possible for such counties under the present statutes. The initiative appears to have come from the officials named. Newspaper accounts indicate that they were forced to defend their action against considerable opposition in certain localities.

Arguments advanced in favor of the consolidation were: (1) close coöperation would be more likely between the county superintendent of highways and one road commissioner than with four road district commissioners; (2) road machinery could be bought and used more effectively; and (3) less money would be spent for salaries of commissioners and clerks. (In his argument at the hearing before the commissioners voted for the consolidation, Mr. Soward asserted that in some districts all of the tax money for a year was sometimes consumed by the salaries of the district commissioner and clerk, leaving nothing to spend for maintenance.)

Arguments of opponents of the change were: (1) the consolidation would mean "too much centralization" and "too much concentration of power" in one road district commissioner and one county superintendent of highways; (2) the individual farmer would have "no influence" in obtaining work on tributary roads; (3) the new road district commissioner might be inefficient or might show favoritism to certain localities in improving roads; (4) the efficiency of the new arrangement was doubted; and (5) the inhabitants of a locality having a substantial assessed valuation would be paying a large portion of the road tax and getting little in return, while under the previous system their tax money was all spent within the boundaries of the old district. The opposition seems to have come chiefly from residents of this district, which contains the largest town in the county—Rosiclare. Very little opposition seems to have come from the four district clerks and four commissioners.

The controversy brought to light one interesting fact which some may take as indicative of the tone of local administration in some areas. For a number of years there has been no distribution by the county to the city of Rosiclare of the city's half of the district road tax levied on the real property within its boundaries as the law provides. So the consolidation controversy may be a good thing even for Rosiclare.

Leon Weaver

Illinois Tax Commission—
WPA Local Finance Survey.

City-County Cooperation in Kentucky

There have been two recent instances in Kentucky of city-county coöperative effort which are of general interest. The health departments of the city of Lexington and Fayette County have been combined with the approval of the State Health Commissioner. The city has appropriated $23,000, the county $8,000, and the schools $6,000 for carrying on public health work during the current year, and there is every indication that the merger will prove an effective one.

The city of Madisonville and Hopkins County jointly sponsored a WPA county hospital project, which has recently been completed. The county appropriated $10,000, the city appropriated $5,000, and a campaign for private contributions netted $30,000. This $45,000 constituted the sponsor's portion of the total cost of the project, which will be approximately $120,000. The hospital is to be governed by a board of trustees appointed by the city and county authorities which, once appointed, will become autonomous and self-perpetuating. Operation will begin unencumbered by any debt, and the hospital is expected to produce all necessary operating expenses. There is no provision for future assistance from any public source, except payment by the city or county for charity cases.

James W. Martin

Commissioner of Revenue, Kentucky

Pennsylvania Seeks Modernized County Government

Amendments to the Pennsylvania state constitution can be submitted to the people only after favorable action by two successive legislatures. Two years ago the legislature passed a resolution proposing an amendment which would remove the present constitutional requirements and leave the organization of county government to the General Assembly. The resolution has been introduced again this year (Senate Bill No. 46). Under it, article XIV, section 1, of the constitution would be amended to read as follows: "Counties shall be administered under such system of government and by such officer or officers as the General Assembly may by law provide. Optional systems of government may be provided for by the General Assembly to become effective in a county only when accepted by the electors thereof."

Legislation Being Considered in North Carolina

No important legislation has been enacted as yet by the North Carolina legislature now in session. Among the bills which are expected to receive favorable action is one to abolish or severely restrict the use of the absentee ballot. Within the last year there have been some unsavory election scandals in the state and there is a strong demand that the absentee ballot be completely abolished, at least in primary elections. If the legislature follows the recommendations of the finance committee, the local units of government will be given three-fourths of the proceeds from the tax on intangibles instead of one-half as at present.

Several local bills, that is, bills applying to single counties, have been introduced to extend the terms of various county officials from two to four years. All constitutional officers are already elected for four-year terms. There is considerable sentiment for a retirement system for municipal and county employees and it is possible that legislation to this end will be enacted at the present session.

Since current tax receipts are falling below those of a year ago most appropriations for the next biennium are being held to the 1937-1939 figures and some may even be reduced slightly.

Legislation in Tennessee

A bill establishing a general sessions court for Knox County (containing Knoxville) has been passed by the Tennessee legislature now in session. Three judges, who are to serve until September 1, 1940, are to be appointed by the Governor. With minor exceptions the bill is identical with that which was reported on page 614 of the December 1938 NATIONAL MUNICIPAL REVIEW. A bill providing for a general sessions court for Bedford County was defeated.

No other public acts of much importance have been passed as yet, but early action is expected to repeal the county unit law, much of which was declared unconstitutional by the State Supreme Court,[1] and the law that enlarged the state election board. These acts grew out of a factional fight in the Democratic party. Several bills have been introduced to remove the poll tax as a prerequisite for voting but it is doubtful if any of them will pass.

LYNDON E. ABBOTT
Tennessee Valley Authority

Year Brings Fiscal Troubles to Cities

State Legislatures Consider Financial Problems

By WADE S. SMITH

Whereas mid-February two years ago saw increasing evidence of financial stability among American cities, with current and delinquent tax collections on the upswing and emergency relief costs trending downward, the same month in 1939 finds tax collections falling off, welfare and social service costs mounting once more, and surplus revenues all too often depleted because of their use to reduce tax levies in the past and prior years. The outlook is that the "average" city will find its fiscal problems during the coming year more serious than since the depth of the depression, while a small minority may end 1939 in the weakest position in years.

Cities which for one reason or another have borrowed heavily for relief costs, rather than meet relief requirements from current revenues, now find themselves in some instances uncomfortably close to their debt limits. Such a city is Minneapolis, which in addition to heavy borrowing for capital purposes (often in connection with work relief projects) has issued an average of about $5,000,000 bonds annually for welfare in recent years. Unless relief costs in that city decline sharply

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[1] See NATIONAL MUNICIPAL REVIEW for March 1938.

—which is hardly to be expected—or unless state assistance in some form is forthcoming, the borrowing margin will have been about exhausted before 1939 is closed, since the refunding of peak requirements on term bonds for which sinking funds are inadequate is being resorted to.

Cities which have been losing ground steadily because of the restrictive effects of over-all tax rate limitation also stand to be further weakened during the year. Seattle, the outstanding example of insolvency resulting from an all-inclusive tax rate limit, has no worries about financing relief requirements since these are financed by the county, but does face an acute current operating crisis. The city enters 1939 with a general fund cash deficit of over $7,000,000, insufficient cash for monthly payrolls, no credit at the local banks, a badly unbalanced budget, and tax collections trending downward despite the tax limitationists' promises that the fifteen-mill rate limit for the city would stabilize collections. On February 6th the city sold $3,500,000 of warrant funding bonds at an interest cost of 4.22 per cent, a high cost reflecting the limited tax status of the new bonds as well as the involved financial situation. Unfortunately, the funding operation contributed nothing to the city's financial prospects since the budget remains unbalanced; limited funds available for operations must be still further curtailed by debt service on the new bonds within the fifteen-mill rate, and recurring operating deficits are to be expected.

Difficulties are also being experienced by Kansas City, Missouri, whose refunding of term bonds was described in a recent issue. This city has adhered to a cash basis of current operations in the past, as required by its charter, but has done so only by wholesale discharges and salary reductions in the closing months of the fiscal year. This year, according to the press, the city's financial condition is the worst since the Pendergast machine got control of the city twelve years ago, with a $1,500,000 deficit at January and four months more to go before the close of the fiscal year. It is said that instead of 25 per cent to 50 per cent pay cuts, entirely payless pay days are prospective for the city's three thousand employees.

In Denver difficulties faced by the state of Colorado resulting from the diversion of funds for the old-age assistance program are resulting in encroachment of the state on local revenues as well as in a prospective decrease in state aid for cities. On February 14, 1939, the State Supreme Court held that municipal liquor license taxes came within the meaning of the old-age assistance amendment requiring payment of 85 per cent of such net receipts to the pension fund, and Denver now stands to lose about $150,000 annually in its municipal licenses as well as about $300,000 accrued taxes for the period since the amendment became effective. The Governor is seeking to have the legislature divert to the general fund proceeds of the income tax (enacted in 1937) part of which now goes to the counties for school purposes, and if this occurs Denver (which receives in its county capacity a portion of the allotment in addition to that for Denver schools) stands to lose about $240,000 annually. The Governor holds that if the income tax is not diverted to the state general fund, further state assistance for relief will be impossible. In 1938 Denver received about $760,000 from the state for welfare. Fortunately, Denver has maintained an unusually strong fiscal position, and will be able to adjust itself to whatever changes may be necessary without more than temporary difficulty. Other cities and counties in the state face general distress, however, while legislative readjustments may be undertaken in other states with comparable results.

In New Jersey the problem of relief financing remains unsolved, the most concrete proposal to date being a legislative move to require the offsetting of amounts due to the state highway department from the cities against the amounts claimed as due by the cities for the state's share of 1938 relief costs. The proposal is aimed principally at Newark, which is said to owe the highway department over $2,000,000. In New York State interest centers around the Governor's budget message, which requested the renewal of the state ad valorem property tax at a rate of one dollar per thousand, a gross receipts (sales) tax of two-tenths of 1 per cent, a 50 per cent increase in the hard liquor tax, doubled rates on stock transfer taxes, a 25 per cent increase in inheritance taxes, and the making permanent of the top two cents of the gasoline tax and the emergency income tax. Strong resistance to many of the new or continued levies is being made—particularly by the real estate groups against the renewal of the state property tax—and since fully one-third of New York State's revenues are turned over to its counties, cities, and schools as state aid some readjustment of local finance may be needed if state revenues are appreciably reduced.

South Carolina's Public Welfare Problem

When the eighty-third South Carolina General Assembly convened January 17th it faced the problem of financing the state's social security program, with no revenue for this purpose in sight. The State Budget Commission had not included this service in its proposed appropriations; and it remained a separate and distinct problem at the end of the fifth legislative week as the house committee on ways and means likewise left public welfare out of its appropriations bill. This procedure was recommended by Governor Maybank, who was hopeful that developments in Washington would result in the federal government taking over a larger share of the burden.

For the fiscal year which ended June 30, 1938, the General Assembly appropriated $1,718,334 for the social security program. For the present fiscal year $2,324,715 was authorized for this purpose. It is estimated that the requirements for next year will be approximately $3,500,000.

The Public Welfare Department has been operating for the two years of its existence on the surplus which resulted from a climbing revenue that apparently reached its peak last year. That surplus has now been spent and a new source of revenue must be found. Inasmuch as all but $1,000,000 of the highway fund has been pledged for past and present highway programs, the only feasible—even if highly unpopular—means of producing sufficient revenue appears to be a general sales tax. Since Governor Maybank has stated that he would veto such a tax, the task may become that of finding another name for it.

The abolition of the five-mill property tax for state purposes, a producer of a net annual income of $1,800,000, may be regarded as further evidence of the necessity of a sales tax. Moreover, the voters extended their disapproval of property taxes last November by asking the legislature to kill the constitutional three-mill levy for school purposes.

A special joint legislative committee, which was created to study state finances, made its report February 9th. It was of the opinion that an additional revenue of $4,500,000 would be required to maintain expenditures on the present basis. This represented the combined total of an indicated deficit of $1,250,000 at the end of the current year and an estimated deficit of approximately $3,250,000 during the year 1939-1940. Governor Maybank, who suggested such a study in his inaugural address, attended most of the committee sessions.

James K. Coleman

The Citadel

New Revenues Requested for Maryland

Governor Herbert R. O'Conor when elected appointed several survey commissions of outstanding personnel to consider various problems facing the state. Effect is being given to the findings of those surveys in bills that are being introduced in the legislature and in the budget presented by the Governor.

The budget gives effect to several reorganizations of departments in the interest of efficiency and economy, applies numerous reductions particularly in overhead, eliminates the diversion of gasoline tax revenue, eliminates the use of bond issues for current operating expenses, and includes $5,000,000 a year for relief not heretofore included in the budget proper.

To accomplish the foregoing and produce a comprehensive budget balanced as to appropriations and revenue, the following new revenue schedule is proposed:

Income Taxes:			
2½ per cent tax on net income of individuals (exclusive of income from dividends and interest), estimated to yield annually		$1,950,000	
Taxes on dividends and interest at the rate of 6 per cent per annum, estimated to yield annually	$4,800,000		
Deduct from this estimate the amount required to replace the yield from the 4½-mills tax which is to be repealed; this sum to be returned to the political subdivisions and the state	2,400,000		
Net total from the tax on dividends and interest		2,400,000	
1½ per cent tax on net income of corporations, estimated to yield annually		1,250,000	
Total from income taxes			$5,600,000
Other Taxes: (continuations or alterations of existing taxes)			
Motor vehicle titling tax (1 per cent on market value of all motor vehicles for which original certificate of title is issued by commissioner of motor vehicles)		450,000	
Tax on music boxes ($15 per machine)		55,000	
Beer tax at 75c per barrel		860,000	
Tax on recordation of legal documents (varying with value)		235,000	
Additional tax on distilled spirits at 15c per gal.		310,000	
Increased tax on race track betting (increased from 1 per cent to 2 per cent)		300,000	
Tax on passes and admissions		220,000	
Renewal of operator's licenses (at $2.00, excluding chauffeurs)		500,000	
Total			$2,930,000
GRAND TOTAL			$8,530,000

The remainder of the budget is provided from the normal sources, including the general property tax which is not increased but remains at the rate of approximately twenty-three cents per $100.

The proposed tax on incomes is called a classified tax. The proposal for a graduated income tax was submitted to the voters in November and disapproved by a light vote. No serious opposition seems to have developed as yet to the new revenue schedule proposed. The *Baltimore Sun,* however, has for some time favored increasing the general property tax in lieu of new revenue sources.

D. Benton Biser, *Director*
Baltimore Commission on Governmental Efficiency and Economy, Inc.

Kentucky Units to Report to State

The 1938 Kentucky County Debt Act, in addition to providing procedure for refunding old issues and for floating new issues of bonds, contains clauses requiring county officials to file semi-annual debt reports and quarterly financial statements with the State Department of Revenue.

The department is now engaged in analyzing the first semi-annual reports of county budgets, showing detailed maturity schedules for each bond issue, the condition of each sinking fund, and a schedule of floating indebtedness outstanding. The quarterly reports of county court clerks respecting the current budgetary condition are also being analyzed with a view to current supervisory action, designed to insure a budgetary balance at the end of the fiscal year.

Experience thus far appears to indicate that the reports will be of very considerable value in making current fiscal supervision successful. Both types of reports will assist also in negotiations respecting the funding of current indebtedness and regarding the refunding of bonded indebtedness. In devising a uniform plan of county record-keeping, the Department of Revenue is greatly assisted by having accessible these current reports which tend to render apparent the elements of strength and weakness in the record-keeping plans existing in various forms in the different counties. (It is now contemplated that the new accounting records which have been devised will be installed under careful and continuous supervision in only a few counties at the outset.)

James W. Martin
Commissioner of Revenue, Kentucky

Tennessee Fights Poll Tax

Much interest centers in the bills that have been introduced in the Tennessee legislature to reduce and to abolish the poll tax as a voting qualification. The Tennessee League of Women Voters has waged an active campaign for abolition of the poll tax, a step that can be accomplished only by a constitutional amendment. Present indications point to the removal of the poll tax as a prerequisite for voting in primaries as the most that will be done on this matter.

Another problem attracting considerable attention is the administration's proposal for a state 3 per cent gross receipts tax on power distributed by municipalities under contract with the Tennessee Valley Authority. The intent is to avoid a loss of revenues if and when the properties of the Tennessee Electric Power Company are purchased by the TVA and local governmental units. The present plan would reduce the tax as payments by the TVA to the state increase in amount. (By federal statute the TVA pays Tennessee an amount equal to 5 per cent of the wholesale power sales from dams located in Tennessee.) Opposition to the tax has been voiced by cities now under contract with the TVA for power. Payments in lieu of property taxes, however, are provided for in these contracts.

Lyndon E. Abbott
Tennessee Valley Authority

In Brief

Hearings before the Senate committee on the tax exemption of federal, state, and local bonds ended February 16th, with a full committee report not likely before the first of March. Bills were pending before the House relating to taxation of government salaries, aimed chiefly at preventing any effort of the Treasury to collect such taxes retroactively. Both taxation of goverment bonds and taxation of public salaries appeared less likely at this session as arguments for the submission of a constitutional amendment appeared to gain added weight with Congressmen.

Natchez, Mississippi, on March 1st opened an automobile tire factory built by the city under the state's industrial subsidy law with a $300,000 city bond issue. The factory is leased to a private concern, which agreed to install $500,000 of equipment, insure the plant, and keep it in repair. At the end of five years the concern may purchase the plant, when it will go back on the tax rolls. The concern promises a $2,500,000 payroll exclusive of executives' salaries, and must pay the city 10 per cent of any deficiencies. Seven other cities in the state have built plants under the 1936 law, Natchez itself having already constructed a garment factory now employing three hundred workers.

The means of financing the old-age pensions promised during his campaign were presented to the Texas legislature by Governor W. L. (Pappy) O'Daniel as a 1.6 per cent transaction tax. The tax would apparently be a gross sales tax accumulating on each transaction, and would be submitted as a constitutional amendment together with the proposal to abolish the state ad valorem property tax and pay not over thirty dollars a month to persons over sixty-five years of age.

In Arizona a bill permitting any taxpayer owing taxes for 1938 or prior years to pay such taxes without interest, provided payment is made before January 1940, is being opposed by the Arizona Municipal League. The League cites the fact that taxes due last November are affected, and would not have to be paid until January 1, 1940, setting a bad precedent and penalizing the taxpayer who paid promptly.

P. R. Activities on Many Fronts

Waterbury May Vote This Spring

By GEORGE H. HALLETT, JR.

With the mayor and other prominent officials and political leaders under indictment for an alleged million-dollar graft conspiracy, citizens of Waterbury, Connecticut, have presented a proportional representation—city manager charter for their city to the Connecticut legislature and asked a referendum this spring on its adoption.

A public hearing at Hartford on February 16th was attended by a large crowd from Waterbury led by the new Citizens' Good Government Association and the League of Women Voters. Some fifteen representative citizens spoke for the bill, urging that Waterbury's troubles were due primarily to "the system" rather than individuals, and no one appeared in opposition. State Senator George T. Culhane of Waterbury expressed disagreement with the principles of the proposed charter, but said, "I'll go along with the referendum. Let's have it."

Julian G. Hearne, Jr., who was formerly chairman of the Wheeling Association which secured the adoption of a similar charter in Wheeling and who is now in Waterbury as campaign consultant, writes: "It appears certain that the Connecticut General Assembly will enact a city manager—P. R. charter bill for the city of Waterbury, subject to a referendum by the voters of that city some time during April or May. If passed and adopted by the voters, the bill would become effective on January 1, 1940; although the new council of seven would be elected by P. R. on the previous October 3rd.

"The Citizens' Good Government Association of Waterbury, Inc., sponsors of the bill, are optimistic concerning the chances for adoption of the 'Cincinnati Plan' in Waterbury. This association was organized in January 1938, and already has grown to nearly ten thousand members. A sound campaign organization is being built up and perfected slowly but surely, and the educational campaign is already well under way. Mr. Harold F. White, of the Blake and Johnson Company, is the president and is providing able leadership to the charter movement. The organization during the last year was helped greatly by the untiring efforts of Vice President Joseph Neily, who is primarily responsible for the present large membership. The women of Waterbury are responding to the call to action, and their efforts are being counted on to provide a good share of the district organization work.

"With the criminal conspiracy trial of some twenty-two city officials and others now under way, the newspapers are full of stories indicating that a change is needed. While the association very carefully refrains from attacking any officeholder or person, it cannot help but emphasize that something is amiss with the present system of government, and that the proposed charter is the logical vehicle to bring about better government."

A Promising Movement in Boston

A strong new P. R. Committee for Boston has developed, with Thomas H. Mahony, a prominent Boston lawyer, as its chairman, and Miss Margaret McSweeney, who became familiar with the system in New York City, as secretary.

The committee has introduced a bill to remove the present exception from the Massachusetts optional P. R. law so that the city council of Boston, like any other city council in the state, can be elected by P. R. if the people of the city so decide by petition and popular vote. There will be strong opposition in the legislature from the political friends of present Boston councilmen, but the present leaders of the Republican majorities in the two houses are Senator Joseph R. Cotton and Representative Christian A. Herter, the co-sponsors of the present P. R. law, and the bill is conceded a chance of success. It is receiving active support from the League of Women Voters and other civic groups and from some of the newspapers.

The *Boston Herald* of February 13th carried an editorial entitled "P.R. as Money-Saver", which read as follows:

"How much basis is there for the statement made in a debate a night or two ago by Thomas H. Mahony, chairman of the citizens' committee for proportional representation in Boston? He asserted that P. R. would afford relief to taxpayers. His comparisons show that cities like Toledo and Cincinnati, which operate under this system, spend less than those which, like Boston, elect their councils in the regular way.

"Why should P. R. be a money-saver? Simply because it puts more brains and honesty into politics. It gives a voice to groups which are now suppressed and exploited. It reflects far more accurately than the prevailing arrangement the desires of the people, and especially the property owners. The results which have accrued not only in the United States but in foreign countries where P. R. has been adopted are astonishing. They go beyond the expectations of the early advocates.

"It is absurd, of course, to argue that P. R. would cure all our local ills. But it would be a good beginning. It would induce prudence. It would at least tend to stop the strong tendency to solve revenue problems by tapping new sources rather than by economizing."

Bills to repeal the present optional P. R. law and also the "Plan E" law, under which any city except Boston may adopt P. R. and the manager plan together by a single petition and popular vote, were filed with this year's Massachusetts legislature by a Cambridge woman. When the P. R. bill repealer was given a hearing recently she was the only one to appear in its behalf and a number of influential citizens appeared against it. The bills are not expected to be taken seriously.

Active interest in Plan E is reported from Springfield, Chicopee, Leominster, Attleboro, Waltham, and the three cities which polled good votes for adoption of the plan last fall—Cambridge, Quincy and Northampton. The law does not permit a vote on adoption oftener than once in two years.

Indiana Also Considering

A bill to make P. R. and the city manager plan optional in Indiana cities is before the Indiana legislature. Chief interest lies in Indianapolis, where both major party candidates for mayor declared for the manager plan in the last election campaign, the defeated Republican candidate insisting that P. R. was also essential. Since the manager plan as adopted by Indianapolis some years ago (without P. R.) was declared unconstitutional, a special commission to study the whole situation has recently been created by the legislature.

A Counter-Attack in Cincinnati

With P. R. advancing in active campaigns for adoption in the cities named above and also in Philadelphia, Providence, Chicago, Schenectady, New Rochelle (New York), and White Plains (New York), the Republican organization has decided to try again to abolish P. R. in Cincinnati. Before P. R. and the manager plan were adopted in Cincinnati in 1924 the notorious Cox-Hynicka machine of the Republican party had a strangle hold on the city government for many years. Under the chastening influence of P. R. the machine has since greatly improved in reputation and leadership and has increased its membership in the P. R. council accordingly, but it has never in seven elections been able to regain an absolute majority in the council. Three years ago it attempted to get rid of P. R. by bringing a repeal amendment to a vote at a spring primary, when the politically active are customarily out in force and independents vote in smaller numbers than in general elections. The attack was defeated, but the vote was close.

Now, encouraged by a clean sweep of the city for the party's state and national candidates last fall, the party organization has decided to try again. A special election has been proposed for May 16th on a proposal to elect the council of nine by plurality vote at large after nonpartisan nominations by petition. The probable result of such a system under present circumstances would be the election of nine organization Republicans, even though a majority might continue to divide their votes among independent Republicans, Democrats, and independents, and the complete elimination in city affairs of the opposition whose comparative absence the Republicans so decry in Congress.

The nonpartisan City Charter Committee, original sponsor of P. R. and backer of from four to six of the nine successful councilmen at every election under it, is preparing to lead a spirited defense of the present system and attack on the proposed substitute. It will have the wholehearted support of other civic groups and of the *Cincinnati Post*, the one local paper which campaigned for the original adoption.

As we go to press the city solicitor has just ruled that the petitions first put in circulation by the Republican organization are defective in form and the petitions have been temporarily withdrawn. Under the charter and the constitution the city council will fix the date for the referendum if, as expected, valid petitions are later submitted. The date must be not less than sixty nor more than one hundred and twenty days after the submitting ordinance is passed.

The Third P. R. Election in Norris, Tennessee

On January 31st the town of Norris held its third P. R. election, at which time nine members were elected to the town council. As explained in an earlier note in this REVIEW,[1] the town of Norris is owned and operated by the Tennessee Valley Authority. A council of nine members, however, is elected annually by the residents of Norris to serve in an advisory capacity to the town management.

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[1] March, 1938.

One week prior to the election only seven persons had qualified for the nine positions to be filled on the town council. Last minute maneuverings brought the total number of qualified candidates to twenty-three—the largest number to qualify at any election during the three years that P. R. has been in operation. These twenty-three candidates included three members of the outgoing council and two women.

A total of 413 ballots were cast in the election, 411 of which were valid. No candidate received a sufficient number of first-choice votes to be elected. Likewise, the elimination of the ten lowest ranking candidates failed to result in the election of any candidate, although 113 votes were involved in these ten transfers. On the eleventh transfer of votes, candidates ranking first, second, and tenth in terms of first-choice ballots received their quota of votes and were declared elected. Two more candidates were elected on the twelfth transfer, two on the thirteenth, and two on the fourteenth and final transfer of votes.

Of the nine candidates elected to membership on the council, six ranked highest on the first ballot. The other three candidates that were elected ranked ninth, tenth, and thirteenth in terms of first-choice votes. Two of the three members of the outgoing council who sought reëlection were defeated, as were also the two women candidates. Seven of the nine members elected to the council are employees of the Tennessee Valley Authority. Of the two remaining members, one is an employee of the Norris Coöperative Gas Station and one a professor at the University of Tennessee.

At its first meeting the new council designated from its own membership a mayor and a vice-mayor.

M. H. Satterfield
Tennessee Valley Authority

Father Dowling Joins the P. R. League Council

The trustees of the Proportional Representation League, Inc., now operating as a branch of the National Municipal League, have elected Father Edward Dowling, S. J., of St. Louis, to fill the vacancy in the League's advisory council created by the recent death of Henry Bentley of Cincinnati. Father Dowling was formerly on the faculty of Loyola Academy, Chicago, and is at present associated with St. Louis University. He is also engaged in national Catholic educational work through the Sodality of Our Lady. For some years he has been one of the most earnest and effective advocates of proportional representation.

In accepting the trustees' invitation he wrote: "I consider it a distinct honor to be asked to serve on the national advisory council of the Proportional Representation League. . . . P. R. to me seems focal where other movements strike me as peripheral. . . . In a world scene that makes insistent and variant demands for one's attention and support, I feel the necessity of a central target. . . . and the need of avoiding waste of time and effort on symptoms and headlined insignificances. P. R. as the instrument that releases on society the cumulated wisdom and good will latent in the mass of untapped voters, seems to me the unalternatived answer to the superstition of leadership, that American *ersatz* for dictatorship or its forebear, the divine right of kings, which has hypnotized so many lackey-minded Americans."

Recent Books Reviewed

EDITED BY ELSIE S. PARKER

Education for Citizenship. By Howard E. Wilson. New York City, McGraw-Hill Book Company (for The Regents' Inquiry into the Character and Cost of Public Education in the State of New York), 1938. xii, 272 pp. $2.75.

At a time when leadership in not only political but virtually all other spheres is exhorting us to take positive action for the preservation of democracy, this study of education for citizenship, undertaken as a part of the Regents' Inquiry into the Character and Cost of Public Education in the State of New York, is especially challenging.

The widespread opinion which has been developing that our schools have scarcely scratched the surface of their implied duty to train children to become responsible citizens in a democracy finds ample support in many of the conclusions and recommendations. Some of these, while not particularly unexpected, should prove disquieting. Relatively well informed on topics which "make the headlines," New York State pupils are "extremely ignorant" about matters pertaining to their own communities. They are reluctant to assume social responsibility and to participate in social action—if it takes an effort; and are inclined to shift burdens. The writer might well have been reminded of the disinclination of the parents of these children to participate in community affairs. Perhaps he offers a clew with his opinion that, "so far as school life is concerned, most schools are giving pupils experience in living under dictation, rather than experience in the management of their organized group life. . . . Generally speaking, schools are doing little or nothing to make pupils more willing and experienced in the democratic solution of group problems."

When teachers try to use the community for field trips to develop their pupils' acquaintance with local problems, they find "a negative and timid attitude on the part of the administrators."

This review does not attempt to give an adequate picture of the comprehensive scope of the study, which included detailed analyses of the framework of social studies instruction; civic competence, comprehensions, skills and attitudes of pupils; criticisms of existing methods of teaching and examination; a general evaluation of types and training of teachers; and other matters.

In view of New York State's position in the field of education, the reader of this thorough and more than a little critical treatise should consider it not so much condemnatory of citizenship training in one state as an appalling indictment of methods throughout the nation.

A. W.

How to Be a Responsible Citizen. By Roy V. Wright and Eliza G. Wright.

New York City, Association Press, 1938. xi, 203 pp. $2.00.

Many have talked about the preservation of democracy—"making democracy work"—but comparatively few have done much about it. A willing and eager public, regularly exhorted to uphold democracy, especially in recent years and months, must have at least a subconscious yearning for some sort of specific program or chart on which to proceed.

The average person can scarcely escape feeling he can't do a great deal individually about the international situation, and he must feel some sense of futility even in national affairs after he has read a few of the "true confession" books by practical political men revealing some of the intricacies in this matter of ferreting out, building up, and electing to high office those who for one reason or another are chosen for "leadership."

In their own home town of East Orange, New Jersey, a husband and wife decided to get seriously into this business of accepting their duties as citizens in a democratic form of government. They *participated.* They discovered that "nice" people really can engage in political activity and still be "nice," if not nicer. Mrs. Wright interested herself in social problems and became a member of the East Orange Recreation Commission. Mr. Wright served a three-year term as a freeholder in Essex County. Both also took part in national political activities. Mr. Wright's ideas began to attract attention and brought him an invitation to lecture on citizenship at a college.

Inevitably they became appalled to find that "even intelligent citizens have only a very hazy idea of their responsibilities in a republic and how to discharge these responsibilities and make their influence most effective." The result was this book —*How to Be a Responsible Citizen*—a book quite unlike any ever published before.

Leaving the level of typical patriotic oratory, the authors, in short, vigorous, readable chapters, get down to cases in a thoroughly constructive manner. The first part of the book, with an accuracy which reveals Mr. Wright's engineering background and Mrs. Wright's recognition of the importance of woman's potential influence in public affairs, provides the setting for the detailed outline in the second part of how a citizen may be a real citizen. The third part reveals a wealth of helpful material (for which even as well informed and public-spirited a couple as the Wrights had to dig painstakingly). The fourth section deals with the broader aspects of citizenship in a democracy.

If this book and a few of those listed in the extensive bibliography which accompanies it could be read by only a small proportion of the school teachers, parents, and especially by those who are leaving college to take their places in American life, we could well be more confident of the continued success of "the American way."

The Purposes of Education in American Democracy. The Structure and Administration of Education in American Democracy. By Educational Policies Commission. Washington, D. C., National Education Association of the United States and the American Association of School Administrators, 1938. 157 and 128 pp. Fifty cents each.

If our "school marms" are seen to develop inferiority complexes and guilty airs it probably will be because each new study of the educational processes finds itself inevitably concerned with the school's alleged failure to produce citizens who meet democracy's demand for informed, intelligent, and active participation in its processes.

These two scholarly books of the Educational Policies Commission, appointed by the National Education Association of the United States and the American Association of School Administrators, are concerned chiefly with much more general matters, but they dwell, at least inferentially, on the importance of schools in citizenship training.

The first named volume includes a plea that schools be more concerned with teaching values and providing experiences in problems of life than with facts, and declares that "the entire curriculum, the entire life of the school, in fact, should be a youthful experience in democratic living, quickening social inventiveness, and agitating the social conscience. So are citizens for the democratic state successfully educated."

There seems to be more concern over good citizenship on a national scale than on a local, with attention called to the fact that thirty million qualified voters "do not exercise their franchise, even in the most exciting elections," but no mention of the even more disturbing fact that many local elections challenge the interest of only about one-third of the electorate.

This book is less addicted to broad generalizations than many of its forerunners in this field have been. Essentially, it seeks to do two major things: first, to state what schools of the United States ought to try to accomplish; second, the things which need to be done if these purposes are to be realized.

Although it is critical of many elements of educational processes, it finds the general trend distinctly hopeful and "the current tendency to re-evaluate, in the light of realistic objectives, all the activities of the common schools . . . a wholesome one."

The second volume outlines the structure and scope of public education, and discusses administration in local and state fields as well as including a chapter on federal relations in education. It sees promise that emphasis in secondary schools will be placed more on "meaningful experience rather than upon the accumulation of knowledge. The structure of the school system may not be greatly changed, but its social significance will be greatly augmented." It is argued that there is urgent need for "terminal courses" for students whose education ends at eighteen or twenty years of age, and it is predicted that the solution will be to reorganize the junior high school to cover four years, following with senior high school for two to four years.

Besides espousing recognized administrative principles such as nonpartisan election of state and local school boards which are empowered to appoint superintendents, the book makes an urgent plea for local control and administration of education as a "school for democracy," adding, "If all citizens are to participate intelligently in all phases of government, it must be on the basis of intelligent interest in those affairs which are near at hand. Only gradually may the intelligent citizen be expected to move from the consideration of his local government to an understanding of and an active participation in the affairs of those other governments that are more remote."

A. W.

Your Community: Its Provision for Health, Education, Safety, Welfare. By Joanna C. Colcord. New York City, Russell Sage Foundation, 1939. 249 pp. Eighty-five cents.

The ordinary citizen whose unfledged interest in local government and local sociology must be spoon-fed with sugar-coated pellets of newspaper sensationalism will not be helped by this volume. The title of chapter one summarizes its purpose: "Your Community: How To Study Its Health, Education, Safety and Welfare." Each chapter thereafter constitutes a detailed, specific outline of the things to find out about each phase of community life, and the places in which to find them. But the very persistent thoroughness of the detail embodied in this volume should render it invaluable to the serious student (although, perhaps, not to the expert), to the teacher, and to all those whose work or serious interests make it necessary for them to understand the roots of daily life in their city. Originally intended as a guide for social workers, this book should have a far wider use. It is a signpost through multiplicity for those who do not mind doing a little work on their own as the price for gaining understanding.

M. R.

New York: An American City 1783-1803. A Study of Urban Life. By Sidney I. Pomerantz. New York City, Columbia University Press, 1938. 531 pp. $5.00.

With a nod at Henry Adams, who could find no lesson in history but chaos, it can still do no harm to draw a simpler and more usual moral from the doings of the past. That would be that our most modern agitations have had numerous precedents in by-gone days. Mr. Pomerantz' study of New York City in the two decades after the Revolution is, of course, a case in point.

In 1938 a New York State constitutional convention was assaulted by "radicals" who asked for, and perhaps got, a measure of greater home rule for New York City. Even the ultra-modern La Guardia had a good deal to say, on the front pages, on the subject. But according to this book, in 1800 a "rude shock" was administered by James Cheetham's pamphlet *Political Equality and the Corporation of New York* which called "with persuasive logic" for "home rule, 'the vital part of government'." The same LaGuardia's crusade of a year of two ago against artichoke monopolists is recalled by the aldermanic election of 1796, when one of the issues was "failure to properly regulate prices and to prevent forestalling in the public markets, thus permitting the gouging of the consumer," while some present trouble in Brooklyn apparently harks back to another 1796 campaign issue, "unfair and arbitrary administration of criminal justice."

There are more parallels which, of course, the reader must draw for himself, since this book, like all other orthodox history books, does not give them. But it may be an amusing exercise for anyone interested in "whither progress?"

M. R.

Additional Books and Reports Received

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NATIONAL MUNICIPAL LEAGUE

League's Business

Bar Harbor Accepts League Proposals

In line with a recommendation made by the Consultant Service of the National Municipal League, the town meeting of Bar Harbor, Maine, voted on March 7th to appoint a committee of five to draw up a charter for the town manager form of government. The committee's report is scheduled to be presented to a special town meeting in the near future and then, if the voters approve it, the state legislature will be asked for its assent to the change.

At the March meeting Bar Harbor voters put into effect a number of other recommendations made by the Consultant Service in its January report on the town government. Appointment of a town physician was authorized, methods of granting poor relief were reorganized, steps were taken to have a zoning ordinance drafted, and restrictions were placed on the practice of accumulating departmental deficits.

New Publications of the League

The League has recently issued two new publications—*The Direct Tax Burden on Low Income Groups,* by J. M. Leonard, of the Detroit Bureau of Governmental Research, priced at thirty-five cents, and a *Model State Civil Service Law,* prepared by a joint committee composed of representatives of the Civil Service Assembly of the United States and Canada, the National Civil Service Reform League, and the National Municipal League. The report has been published under the joint auspices of the two latter organizations. Its price is fifty cents.

Abbett Pulliam Resigns from State Committee

The New York State Committee of the League has announced that Abbett Pulliam, organizer and coördinator of the New York State Bureau of Governmental Research, has resigned as its chairman. Mr. Pulliam's letter of resignation, addressed to the League's secretary, is as follows:

> With several prominent members of the National Municipal League supporting the work of the New York State Bureau of Governmental Research and others also prominent opposing this work, I am herewith resigning as chairman of the state committee and as New York State editorial contributor to the NATIONAL MUNICIPAL REVIEW.

Mr. Pulliam is succeeded as chairman of the New York Committee by Professor M. P. Catherwood of Cornell University.

Baldwin Prize Essay Published

Members of the League will be interested to know that the essay winning the 1938 Baldwin Prize of one hundred dollars has been published by *Legal Notes on Local Government* in its March 1939 issue. The author is Edwin E. Warner, of Depauw University, Greencastle, Indiana, whose paper was devoted to "A Study of the Indiana Plan of Budgetary Review."

HOWARD P. JONES, *Secretary*

National Municipal Review

Editorial Comment

Frankness in Taxation

WHEN those who are really supposed to know all about taxation are unable to agree on principles and methods, it takes more than a little temerity to discuss the subject at all. But there is increasing suspicion, not alone on the part of real estate men and large income taxpayers, that the situation is growing no better—fast.

For years there have been many who argued that the whole taxing system needed a completely fresh approach, a sound re-thinking and re-shaping of basic principles.

But how can those in a legislative capacity be led to face the issue squarely when so much of the tax structure is based on concealment and deception?

Tons of paper and ink have been used to spread false propaganda about the number of "hidden taxes" in a loaf of bread or a pair of shoes or some other homely thing, but in the mountain of overstatement there still is a sizable hill of truth. Counting the taxes, adding up dollars, or comparing the cost of government today and one hundred years ago has rather the effect of making the anti-tax army march as in a leaden-footed dream.

The amount of money being spent, the success with which one pressure group after another bludgeons benefits from public funds, the fiction that, after all, we are but "soaking the rich," are not the basic issues.

The real issue—the habit of thought which stands in the way of an honest, straight approach—is the sugar-coating and cushioning of each new tax to enable it to tackle from behind in the dark, the insidious effort not to soften the blow but to conceal it—kidding ourselves in the effort to kid the other fellow.

The successful operation of a democracy assumes an informed people participating on the basis of complete knowledge. But how can they vote intelligently on candidates and issues when every effort is made to avoid frankness and honesty in submitting the bill?

By way of illustration: During the recent income tax collections an internal revenue collector received from a man in Brooklyn a ten-dollar-bill and a note saying he and his wife hadn't made enough "to be taxed" but that he believed everyone should pay something to support the government. A refreshingly healthy attitude, but obviously this man, like so many others, isn't aware of the experts' estimates that at least 20 per cent of what he made had already gone directly or indirectly into taxes.[1]

[1] It takes one month of work by low income families to pay direct taxes alone. See *The Direct Tax Burden on Low Income Groups*, a recent study by J. M. Leonard, published by the National Municipal League.

The Inventor Reconsiders

ON SEPTEMBER 8, 1900, a tidal wave from the Gulf of Mexico swept over Galveston, Texas. The problem of rehabilitating the city called for drastic action. That action brought the birth of the commission form of government.

Despite the pride which naturally has been Galveston's in the fact that its emergency invention was widely imitated by hundreds of other communities, a citizens' group there, the Galveston Civic League, recently began the study of a more modern system of government, the council-manager plan. Naturally enough, just as other cities looked approvingly on the early accomplishments of Galveston's once new commission idea, the Civic League finds the effective efficiency of the council-manager plan demonstrated in its sister city, Dallas, as well as in nearly five hundred others.

In many respects, the commission was the forerunner of and paved the way for the council-manager plan which also provides for a small elected body in which lies essential authority over municipal affairs. The newer development, itself now a quarter of a century old, provides, in addition, a distinct division between administrative and legislative duties and for the appointment of a city manager to carry out the policies of the council.

The unparalleled rapidity of American progress from one form of government to another and from one set of administrative practices to another demonstrates clearly that our people have struggled constantly for the improvement of local government. We have done more experimenting with the processes of democracy in this country since 1900 than the entire world has done over the period of a century, for the majority of the people of any city are no more satisfied with inept, wasteful, or political handling of the services they perform for themselves on a collective basis than they are with such handling of their private businesses or households.

The one great contribution of the commission idea was to prove the efficacy of the short ballot principle. It took some years to reveal that it was this, and not the commission form itself, which produced greater public understanding, confidence, and participation, and therefore, for a time, better government.

But the difficult period through which American cities have gone in recent years has spot-lighted clearly the glaring deficiencies of the commission form. Perhaps the most disturbing of these is the fact that the commission plan is geared for spending—it has no brakes. Each commissioner naturally wants to build up his own department, his own prestige. Each faces the temptation of bar-

(Continued on Page 329)

Georgia Counties Overshadowed by State Centralization

J. THOMAS ASKEW
Armstrong Junior College, Savannah

Counties rapidly becoming nonentities as state absorbs administration of roads, schools, welfare, charities and correction; few duties left to justify existence of rural local governments.

IN MARCH of this year there was introduced in the Georgia legislature a proposal to reduce the 159 counties to sixty. Needless to say, the suggestion did not receive serious consideration. Yet Georgia, more than any other state, perhaps, needs to consider county reorganization.

A few years ago agitation for overhauling and consolidating Georgia counties almost reached the point of a serious movement, and if the county problem had been more clearly understood and explained, some reorganization of local government might well have been accomplished. Acrimonious misunderstandings between citizens of poor rural counties and citizens of rich urban counties led the former to accuse the latter of unfairly exploiting the country folk, while the rural politician was accused of creating nefarious political devices to control state politics. There was much truth in both these accusations.

The county system as it has developed in Georgia is traceable to the fear of the rural citizens of control by city folk; to a lack of confidence in the legislature; to rigid provisions in the constitution intended to preserve the status quo in local government; to the desire of vested interests, especially jobholders, to entrench a system of machine politics which they understand and control; and to a deep and sincere belief on the part of many people in the wisdom, wholesomeness, and safety of local self-government.

The worst practices of county and state machine politicians are "hangovers" from post Civil War days when political feuds reached a very low level. Managed elections, office trading, and other practices were fairly general although the villainy was more polished in some counties than in others. The crude sell-outs and ballot stuffings were apparent only in the most bitter campaigns.

But a low type of machine politics is not the fundamental cause of our county ills; indeed, the kind of local politics and the kind of local government we have is a practical adjustment to a bad economic and social situation which has lasted with more or less severity for many years past. Personally, I have found county officials just as moral as other local leaders, and no more guilty of abuse of power than the bankers or lawyers or other members of the community who possess economic and social influence. Certainly officials in this section are no more vicious than they are in other sections, and they can not be blamed for conditions here.

The Georgia county, like other southern counties, was adjusted to the tempo of a largely self-contained, slow-changing rural community. The American industrial order brought into general use only recently in the South paved highways, railroads, factories, electric power, cities, and modern methods of business organization. The changes destroyed a great deal of rural culture and gave less in return than it did to the cities. The pristine glory of the general store with the twelve-months stock of goods is gone, and the farmer does most of his trading in the city, frequently one, two, or three counties away. Good roads made this possible. Choice goods shipped from the four corners of the earth are within one or two hours' drive, and if the farmer owns no car, he can order from the nearest distributing point of the mail-order house. Hospital and medical services and a variety of other attractions carry his dollars to town. There, through tax levies, they help to pay for city-county services which the rural county cannot afford. County lines no longer have any relation to the trading community.

YOUTH DESERTS THE FARM

And there is a bigger problem. For three generations the farmers have been losing their economic and social status. For three generations the land and the people in Georgia have been washing away. Rich soil is deposited in the bottom of the sea, and valuable human resources, expensive to the rural home as youth, devote their economic lives to the building of the city. By reasonable methods of computation, the farms of Georgia since the World War have contributed to the cities of this and other regions human resources running into hundreds of millions of dollars. The city birth rate is far below the rate necessary to sustain the city population. Rural Georgia has been rearing the children who keep the city going.

The desperate financial plight of the rural citizen has confused him, and in struggling to preserve what he had, he has resorted to several political expedients, none of which has worked. Under the county unit system the governor, other statehouse officers, and senators and members of the House of Representatives in the Congress of the United States, are nominated in the Democratic primary by a county unit vote majority. The eight largest counties have six unit votes apiece; the thirty next in size, four each; and the remaining 123, two each. The candidates receiving the largest plurality of popular votes in a county receive all the unit votes of the county. The nominations to office are largely controlled in this way by the small county machines working through a state organization. The Democratic nomination is the equivalent of election.

Undemocratic apportionment of representatives is the device used to assure control of the legislature by the representatives of rural counties. The eight largest counties have three representatives each in the lower house; the thirty next in size, two each; and the remaining 123, one each. Fulton county has a population of 335,000 people and Echols has 2,700.

But not to be overlooked is the fact that political power has proved impotent in the face of economic forces, and economic power has exerted control over what was supposed to be the farmer's government in spite of all the political devices he could muster.

There might be a way to rid the state of these undemocratic and irritating devices with a little deeper understanding of the county problem. Rural folk get impatient with men who talk glibly about inevitable change but exhibit so little understanding of the forces which have undermined the status of the rural community. Living in a depressed debtor area, the man from the country has watched the national government erect tariffs and subsidize business in general to the detriment of his standard of living.

The farmer knows, too, that somehow he has paid his share of the taxes. And when he is told in all seriousness that Atlanta pays one-fourth of the state government's taxes, nothing being mentioned about the city's industrial plants and the distributing houses which sell goods to consumers all over the southeast who really pay the taxes, it is no wonder misunderstandings and political alliances develop which block attempts to reorganize local government.

STATE VS. COUNTY

Georgia has a tradition of poor government in the state as well as in the county so it is difficult to view with entire equanimity the rapid absorption of local functions by the state. However, the impasse which now exists between those who want the county enlarged and reorganized and those who are opposed because of the fear of a loss of political power seems to leave no alternative.

Georgia, more than most states in the union, has rapidly pushed the county toward obsolescence during the last generation. This has been especially apparent in recent years. The state highway department was created in 1916. Consistent increases in state appropriations and aid from the federal government have made the department the richest and most powerful in the state. Legislation passed in 1937, which provides for state construction and supervision of farm-to-market roads, virtually destroys the only remaining excuse for numerous rural counties which have been little more than road districts for years. Contracting to maintain roads for the state and providing a place of meeting for the superior court twice a year will be slight justification for a county's existence.

Thirty-five years ago the state spent $1,737,000 on education; last year, ending June 30th, the amount was over $14,000,000. The state has recently assumed responsibility for a seven-months school term, and only three states in the union, apparently, have school systems which permit as much central control.

Thirty-five years ago the state spent $1,402,000 on charities and corrections, including care of the insane, the feeble-minded, the blind, and the inmates of prisons and reformatories. Last year the amount appropriated was over $7,000,000.

Prior to 1937 there was slight state contact with welfare work in the counties. A state board with sweeping authority now directs most of the welfare work through a state director.

Thirty-five years ago state expenditures for the protection of life and property amounted to $13,000. With the creation of a public safety department and a state police force the expenditures, including prison administration, rose to over $900,000.

Comparable figures for other functions could be cited which tell the same story: the overshadowing of local government by the state government. In 1903 state government costs were $3,798,000 and last year $49,000,000. In nearly every instance the increase in state activity can be justified on the ground that inadequate support by inefficient small counties has made the action of the state imperative, although some counties do administer their affairs better than the state.

The financial loss to the counties from the recent homestead exemption amendment will almost inevitably shift more functions to the state.

MERIT SYSTEM NEEDED

The most disturbing omission of recent centralizing legislation is a well conceived, comprehensive personnel law covering all departments and offices. The increase in the power of administrative officials, including the power to fix salaries and establish important rules and regulations, means that Georgia is likely to have a much worse government in the capitol and in the courthouse if the patronage system is not destroyed. The state and local machines are in large measure identical, and the state machine with large sums of money to spend and to allocate will not be able to escape easily from a long established habit of poor government.

In addition to a "county problem" we now have a "state problem," and there is no serious attempt to understand or solve

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Colorado Springs Thrives under the Manager Plan

By **JOSEPHYNE H. JOHNSON**
Colorado College

Citizens Committee boasts of eighteen years of efficient manager government in presenting engraved testimonial to city council.

ON JANUARY 15, 1939, in the *Colorado Springs Sunday Gazette and Telegraph* this comment appeared: "That engraved testimonial presented the city council by the Citizens' Committee only puts in concrete form a consensus of opinion of the residents of this fair city in every walk of life . . . that if our state and nation were governed as efficiently and economically, and with as little fuss and feathers as this municipality, our troubles would be less and our burdens lighter." This comment was made apropos of a resolution expressing formal appreciation of the work of the manager and the council, which was presented to them at the first council meeting in 1939.

Colorado Springs, a city of 35,000, made two governmental changes before arriving at the present setup with which the citizens so emphatically record their satisfaction. In 1909 the city voted to change from the aldermanic to the commission system when the latter proved a boon to the city of Galveston. Only three years later a city manager plan was being urged, but not until April of 1921 did Colorado Springs finally adopt it.

The statement that interest in public affairs and pride in keeping up with the times materially affected these governmental changes is more understandable when the character of the population of Colorado Springs is taken into account. The city often has been called "Little London." The census of 1930 showed that almost 90 per cent of the population were so-called native whites, predominantly of British stock and unusually permanent. In comparison with figures for the United States as a whole, Colorado Springs has an older population, a larger proportion of married, divorced, and widowed, and an excess of women. Since 1874 Colorado Springs has been a "college town." It has no specific economic base and is largely a resort for health seekers and retired business men.

Naturally, such a population would be particularly concerned with securing an efficient and progressive government, and material comforts and improvements would mean a great deal. When improvement did not follow with the establishment of the commission form, the citizens sought something else. The business men of the city, in particular, had been greatly upset by the unbusinesslike administration under the commissioners. Records of council meetings and newspaper comments indicate that each commissioner was his own boss and ran his department with little regard for the general policy of the city.

Although salaries were very low, it is surprising to find how large a number of the commissioners were capable men and were re-elected year after year. They were not technically trained men, however, nor did they have any special executive ability.

The only new paving project started between 1912 and 1921 never got beyond the bidding stage until the first manager administration was installed. The commission administration handled the contract negotiations so ineptly that an injunction was issued preventing further action on its part. Since 1921, however, ninety-three miles of paving have been added as well as much curb and gutter.

PERMANENT IMPROVEMENTS

In addition, a new auditorium has been built, the publicly-owned utilities housed in a new building, and a sewage disposal plant installed, to say nothing of smaller constructions. A city hall, built in 1900 but not paid for either under the aldermanic or commission administrations, was finally cleared of debt in 1932.

Although all this led to a rise in governmental costs during the first few years of the city manager administration, everything points to a decrease now that the city is fast clearing up its obligations.

Inefficiency and failure to provide physical improvements were certainly reasons for the change from the commission to the manager system, but the supporters of the latter plan also hoped that "something would be done" about the city's greatest problem.

Successive city administrations had experienced difficulty with the private utilities ever since the Board of Aldermen in 1898 gave to a private corporation a twenty-five-year franchise for the manufacture of electricity. The light and power company formed as a result of this grant was inefficiently run. The citizens paid high rates, but the profits lined the pockets of the stockholders in New York.

Then, too, the franchise involved the water supply of Colorado Springs, which in any "plains" city is a very vital matter. Consequently, Colorado Springs had tried each new form of city administration which had been developed in an effort to do something about the franchise, even if it were only to regulate effectively the company's utilization of the water supply of the city.

Once the city manager form was adopted, this problem was disposed of. Renewal of the franchise was refused, and the plant and equipment were purchased by the city. In spite of having to pay heavily for a badly rundown business, the city has built up one of the most successful municipally-operated utility systems in the United States. It will have paid off all its bonded indebtedness by October 1, 1939. The achievements of this department are greatly to the credit of its first manager, now the city manager as well.

Those business men who were

active in the campaign for a city manager almost eighteen years ago also deserve much praise. When sinister influences have threatened the utilities, they have rallied around to protect their achievement. At election time they do all they can to secure councilmen who will live up to that conception of the council-manager relationship which is an inherent part of the manager system in Colorado Springs, namely, that the manager is the administrator and the council the policy-making body. Adherence to this conception in great measure accounts for the continuance of those changes made under the city manager system.

AN IDEAL SETUP

The present manager, Earl L. Mosley, makes the most of the fact that he is not subject to election and can stay in the background so far as controversies on civic policies are concerned. During the early years of the manager system, the members of the council did not confine themselves to policy-making, and, due to their distrust of the first manager's ability, often interfered in the administrative field. Now, on the contrary, they might leave too much to the manager were he not wise enough to insist on the council's assuming all responsibility for policy.

It is also important to note in this connection that in the present Mayor, George G. Birdsall, Colorado Springs has a balance wheel—a man who acts not only as "front," but as an interpreter of governmental policies to the citizen body. He also acts as a leader of the council and as a support for those administrative acts necessary for the carrying out of the policies determined by the council.

This is in marked contrast to the position of the mayor under the commission form. Often he was able, but so burdened with running a department, acting as a general administrator of all departments, and "greeting" that he had no time for that type of leadership provided by the present mayor. The manager himself feels doubtful as to the possibility of having an effective manager administration without a mayor to furnish such political leadership.

The councilmen regard themselves as members of a board of directors. Although these men were living in Colorado Springs and interested in having good government before 1921, with but few exceptions they would not have been willing to serve under the old commission system.

The members of the council generally do not act as interpreters either of the policies they determine or of administrative acts, but regard that as the function of the mayor. The administration, however, does not leave all of this to Mr. Birdsall. The manager has interviews with the press twice daily, and heads of departments are encouraged to contribute special articles to the newspapers. Speeches on administrative activities are an integral part of Mr. Mosley's work.

The administration does not

confine its public relations to interpreting its own policies for the public. The manager is very proud of the extent to which the city has coöperated with the various federal relief agencies since their establishment. There is a probability that, by this time, the present city tax levy would have approached even more closely the low 1921 level had it not been for the added costs occasioned by relief projects. It is the boast of the administration that the city itself has successfully taken care of many of the local unemployed. Now, when additional city employees are needed, it is the custom of the administration to secure them through the Colorado Re-employment Service.

Due to the willingness of the administration to coöperate, neither individuals nor civic groups are in the habit of turning to other organizations for the realization of civic objectives. The spirit of service is not confined to the executive and the policy-making body. Employees do not forget that they are, first of all, servants of the public.

Social and recreational phases have not been neglected. An extensive system of parks and playgrounds is maintained, with directed recreational programs during the summer months. The new beach and bathhouse recently completed at Prospect Lake have been the center of a very ambitious program. Last summer free classes in swimming and life saving instruction were provided as an addition to the already broad scope of the program.

Administratively, the present government has accomplished much. Outstanding achievements are an improved accounting system, a well coördinated administration, and a merit system which is practical for a small city.

MODEL ACCOUNTING SYSTEM

In 1930 Haskins and Sells installed an efficient and up-to-date system of accounting. The manager has supplemented those methods of accounting control recommended with certain percentage calculations which simplify even more this important administrative function. A graph of the city's reserve account since 1913 shows a sharp upward trend since 1921.

Except for monthly written reports from which the manager constructs the statistical and financial portions of his reports to the council, his methods of coördination are those of a well run business of moderate size. The manager is able to do much of his administrative work through close personal supervision of the various divisions of administration without the elaborate tools sometimes necessary. This is possible, of course, because of the size of Colorado Springs.

The charter passed in 1909 provided for the establishment of a civil service commission with a secretary to carry on the day-to-day administration of the civil service. Its operation, however, had never been very satisfactory. No changes in the charter provisions have been made, but a real merit system has been worked out by the present administration. The man-

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New Jersey One-fifth Tax-delinquent: Rural Communities a Serious Problem

Miles of pine forest, submarginal soil, bogs, and sand incapable of meeting taxes for support of local governments; Wisconsin's zoning device cited as a way out.

By **MAURICE F. NEUFELD**
New Jersey State Planning Board

THE regulated development of land, whatever its use, is rapidly coming to be recognized as the primary concern of a rational society. The present wisdom of Washington, Wisconsin, and state agricultural experiment stations throughout the country declares that knowledge is on the march against a heritage of semi-ignorance. This conflict is basic.

All public services, no matter how limited, incomplete, or inefficient, are rational in origin and principle and must be founded, to function, upon informed judgment. Upon the irrational sprawl of the nation's economic life these services are thrust. While men and women in slums or eroded farms have been abandoned, under the guise of economic freedom, beyond the margins of security, society in its role as an instrument of vision, has insisted upon roads and schools in the most secluded outposts of a cut-over peninsula, and fire, police, and health protection in streets of continuous crime, filth, and poverty. Townships and counties where public costs exceed realizable taxes are already repetitiously famous and have become part of the folklore of contemporary social thought.

Rural communities which can neither pay for their primary services nor provide a living for their citizens have been studied in many states, most notably in Wisconsin. Recently, the New Jersey State Planning Board, like all agencies concerned with effective land-use development, has studied the problem of rural tax delinquency with the hope of adding another straw, perhaps the intolerable one, to the mounting evidence against disorder.

In New Jersey, as elsewhere, rural tax delinquency begins with the absence of public control. With hope posing as knowledge, a myth has been created that all property has private value. As a result, a strange compulsion exists to divide up into private ownership every foot of real property and to turn it ultimately to some kind of profitable use regardless of need or potentiality.

Although only rural areas of ten acres or more were covered in the New Jersey survey, nevertheless close to a fifth of the total land area of the state, or 900,000 acres, was found to be delinquent for one year or more at the beginning of 1936. One-half of this area was forested, while close to 70 per cent was unfarmed. Although delinquent for one or more years, only 23 per cent had been sold for taxes, while private liens were held on but one per cent of the total area. Yet land of such little economic worth that the municipalities themselves had to acquire the properties they dared to put up for tax sale was shrouded in a fiction of value.

Within an hour's drive of Philadelphia, and little more than two hours from New York, is the pine land area of South Jersey. Forty per cent of all delinquency occurred in this region which covers more than a fifth of the state's area. Land is assessed here at an average of eight dollars an acre.

Nature in New Jersey, unwilling to abandon a universal performance, has limited what can be done on sand, submarginal soil, or bogs. When new mines in Pennsylvania were opened, when the glass industry mechanized and moved west, the employment of the Pineys,[1] which was never thriving, closed down upon them. Today, occupations suited to the region can be started only with ample capital, knowledge, and skill. Although this cycle of sparse living and certain removal has repeated itself everywhere in America, men are still unwilling to believe that the land they live on is barren of profit. In Wisconsin they hug the cut-over forest land as though the pines still stood and lumbering were in its heydey. In New Jersey they pull sphagnum moss, pick wild blueberries, and gather holly and laurel.

It is no accident, then, that a third of the pine region of New Jersey running from southern Monmouth County to Cape May was tax delinquent. It is rather an ordinance of nature. In the agricultural region west of the pine lands the situation was slightly less desolate: 17 per cent of its area was delinquent, amounting to 32 per cent of the state's delinquent area. Toward the north, from the Piedmont section to the mountains, only 11 per cent of the land was delinquent, comprising but 23 per cent of the tax delinquent area of New Jersey.

COSTS EXCEED INCOME

Despite tax delinquency throughout these regions, the structures of government exist and offer services as though their townships were founded upon economic reality. Actually they are founded upon submarginal soil. In sixty-two rural townships, distributed among all but four counties of the state, expenditures for local services and improvements, principally roads and schools, exceeded in every case receipts from purely local sources. The balance was supplied by various forms of state aid and borrowing. The total population in these townships had remained almost stationary, increasing only a little more than seven thousand from 1920 to 1930. In eighteen townships, the population had actually decreased.

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[1] The name by which the inhabitants of the pine-land wastes of South Jersey are known. These million acres are a sterile place of mock forests, sand, and feeblemindedness.

All of these governmental service areas were paupers. Close to 70 per cent of the townships had an average per capita excess of expenditures over receipts ranging from five dollars to fifteen dollars, while 25 per cent had average per capita deficits ranging from fifteen dollars to thirty-five dollars. Taxes upon a fifth of the township areas were unpaid.

The causes of tax delinquency are indeed many, but may be grouped into two broad classes: those thriving upon the misuse of land and those nourished upon administrative maladjustments — inequalities of tax assessments and rates, irregular tax sales, failure to consolidate public services, and the need for the realignment of municipal boundaries. Remedial measures for delinquency caused primarily by administrative inefficiency are superficial and consequently more easily embodied in legislation than more fundamental cures which seek to remedy the causes of deep-abiding delinquency. These involve changing the encrusted habits of the most conservative section of the nation's population: people on the land.

SELECTED REGIONS STUDIED

In order to study at close range the various causes of tax delinquency, the New Jersey State Planning Board selected ten areas lying in each of the five major soil zones of the state. These areas included municipalities with high percentages of their total land areas tax delinquent, together with nearby municipalities which had low percentages of delinquency. The soil classifications of each municipality as a whole as well as of the tax delinquent parcels within each municipality were analyzed. The average size of tax delinquent parcels was tabulated and the average number of acres of crop land harvested listed. In addition, notation was made of the percentage of tax delinquent land not farmed. The principal crops for each municipality were studied and the average number of chickens and cows per farm was also listed. Information was available at the New Jersey Agricultural Experiment Station on the average amount of tax per acre of farm land and improvements from 1930 to 1936 for a limited number of municipalities. An analysis was made of municipal tax sale habits. With this information at hand, it was possible to appraise generally the extent to which the problem was one of poor administration of tax laws or of more basic agricultural and economic maladjustment.

The ten study areas spread over 36 per cent of the land area of New Jersey. Some 463,000 acres of tax delinquent lands, divided into over seven thousand parcels, were covered.

In five areas, privately owned, unproductive land of poor soil potentiality was the first cause, used in its philosophical sense, of tax delinquency. The proportion of unpaid taxes was found to increase inevitably with the acreage of unfarmed land upon which it was impossible to produce income of any kind. In the ten study areas, 15 per cent of the land not farmed was held by land development companies, while 55 per cent of the unfarmed land was held in single ownership in areas of one hundred acres or more. Ghost towns and abandoned farms expand on such acreage, as Dr. A. T. M. Lee's study, *Land Promotion Schemes in the New Jersey Pine Area,* demonstrates.

LAX COLLECTION METHODS

Inefficient administration of tax laws often insures continuing tax delinquency and misuse of land. Information on the tax per acre of farm land was available for about thirty municipalities. Marked variations were observed in the tax per acre for land in neighboring municipalities with approximately the same potential soil productivity. This would seem to confirm what is already well known to agricultural experts: taxation of rural lands at present seems to have no uniform relation to actual or potential income. The entire taxing procedure is often so confused and hopeless that pointing out to the officials of one township that the land area assessed exceeded by 12,500 acres the area of the entire township could produce only the explanation that from time to time acreage was found in the woods which had not appeared on previous records. The age of discovery, so long past, is not yet over in the rural townships of New Jersey.[2]

In many instances, after eliminating other factors, sharp contrasts in percentages of tax delinquency in contiguous municipalities where similar conditions prevailed left the board to assume that these variations in all probability were due to differing degrees of leniency in the collection of taxes and the holding of tax sales, or to factors not considered. In only one municipality of over one hundred under consideration had regular tax sales been held since 1930. In some townships, land has been delinquent since 1890 and never sold for taxes.

As a result of these findings certain immediate remedial measures come to mind. They merely play upon the surface. Other suggestions, cutting to the heart, embody the principles of rural zoning, but are less likely to be warmly received within the next few years. They will require in New Jersey and many other states persistent education, and perhaps a deeper trough of the depression, to become law.

Tax rates and assessments on rural property in New Jersey are inequitable. Tax assessments probably should no longer be set on a narrow municipal or township basis, but should be centralized over a wider area, possibly the county. Tax rates might differ for rural and urban areas. Such revisions in procedure should be made, however, only as a result of more adequate research than now exists to determine the best alternatives, policies, and methods.

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[2] Nor is the Garden State alone distinguished for its haphazard record-keeping. Mr. C. O. Henderson's study of tax delinquent and reverted lands in Mississippi, like similar reports for other states, is primarily an inventory of serious administrative deficiencies.

Penalties should be attached to mandatory tax sale provisions to eliminate the possibility of leaving such important matters to local discretion. The experience of Massachusetts has established the wisdom of safeguards. Since many municipalities contain large areas of unproductive tax-delinquent land, they are faced with the necessity of themselves buying up tax title liens. Despite undoubted hardship, such property cannot be considered an asset in private hands and should be taken up and foreclosed at once. Where the extensive withdrawal of taxable lands would tend to cripple an administrative unit, then the realignment of political subdivisions is inevitable. The consolidation of public services and realignment of municipal boundary lines in New Jersey is now fortunately receiving the attention of the Princeton Local Government Survey.

STATE ACQUISITION URGED

Since New Jersey contains approximately two million acres of non-productive rural lands, almost a half of which is tax delinquent, the State Planning Board has urged the state to acquire liens held either by private individuals or by municipalities when the lands represent desirable additions to present state parks and forests, or state refuges, fish and game lands, and watershed areas. Other large parcels might be made the nuclei of additional public areas.

The acquisition of tax title liens is useless, however, under existing methods for foreclosing the right of redemption and obtaining clear title. In New Jersey the cost of foreclosing tax delinquent property of little value ranges from $200 to $400. This is due principally to the expense of title searches. Another item of expense is the provision that only parcels in the same ownership may be foreclosed in one proceeding at the same time.

In proceedings barring the right of redemption on property of little economic but great public value, upon which tax title liens are held by municipalities planning to acquire the land for public purposes, it would be to the public interest if barring the right of redemption might be effected through proceedings *in rem.* Such a procedure is provided for in Article X of the *Model Real Property Tax Collection Law* drawn up by the National Municipal League. It is an ancient procedure and one upheld by the Supreme Court of the United States in the case of *Leigh vs. Green.* New York acquired much of the old forest land in the Adirondacks and Catskills under a form of *in rem* procedure. The State Planning Board suggested resort to this procedure after rural property needed for public purposes had been delinquent for six or more years. The Committee on Municipal Law of the New York Bar Association, under the chairmanship of Arnold Frye, in a bill it sponsored before the New York Senate in 1938, limited the *in rem* procedure to unimproved property of low economic value on which a tax district held liens at least four years old. To keep down the cost, the committee provided that any number of parcels might be included and joined in one action.

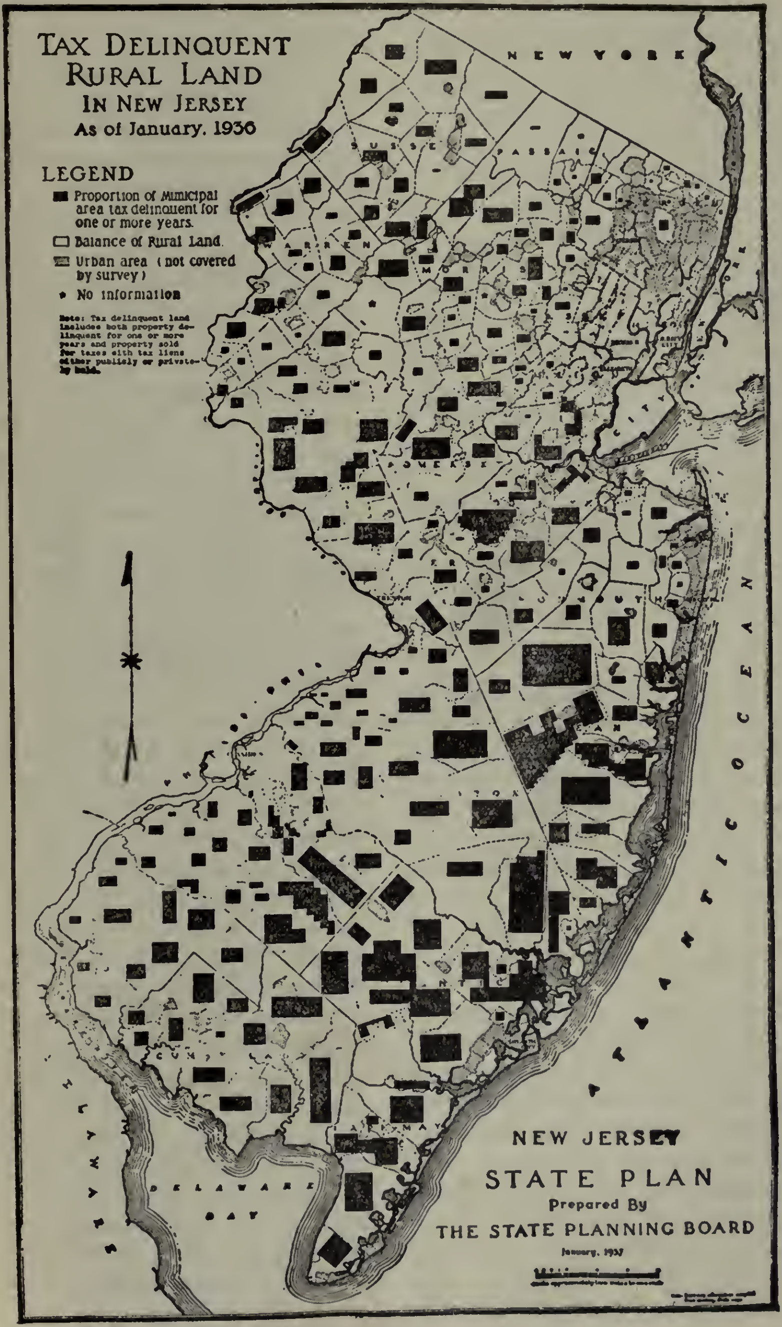
Even should such suggestions for facilitating foreclosure and public ownership be enacted into law, the misuse of much land outside the guardianship of the state would still continue. The planning board urged, in the absence of rural zoning, that the county administrations, county agricultural agents, the State Agricultural Experiment Station, and the State Department of Agriculture coöperate in discouraging the use of certain types of land for agricultural purposes and in keeping other types open only to agriculture of a particular kind.

WISCONSIN FINDS SOLUTION

This rational process, when approved by law, is rural zoning. The only strictly rural zoning ordinances operating in the United States today are those in the twenty-five northern and central counties of Wisconsin. More than five million acres of land unfit or unneeded for agriculture have been restricted. Rural zoning in Wisconsin, always preceded by long months of discussion and study, and finally enacted only with the approval of the citizens of the county, must be described as an unbelievable democratic victory of organized knowledge over individual ignorance.

Until 1933, only urban Milwaukee County had taken advantage of the enabling act of 1923 and created a zoning ordinance in 1927. In that same year, the legislature, faced with bankruptcy in the cut-over towns of the northern and central counties, appointed a legislative committee on forestry and public lands. That committee reported: "Both the orderly development of northern Wisconsin and the need for reducing expenditures because of tax delinquency require that counties be given the authority to control development. Counties should have the right to give every possible aid in agricultural zones with the aim of building up prosperous farming communities. But they should also have the right in sections of isolated farms, with heavy tax delinquency and numerous abandoned farms, to set such areas aside as forest and recreation zones, and be empowered to control the construction of more roads and schools."

The legislature in 1929 amended the urban county zoning law to permit Wisconsin counties, by ordinance, to "regulate, restrict, and determine the areas


TAX DELINQUENT
RURAL LAND
IN NEW JERSEY
As of January, 1936
LEGEND
■ Proportion of Municipal area tax delinquent for one or more years.
▭ Balance of Rural Land.
▨ Urban area (not covered by survey)
● No information
Note: Tax delinquent land includes both property delinquent for one or more years and property sold for taxes with tax liens either publicly or privately held.
NEW YORK
SUSSEX
PASSAIC
BERGEN
WARREN
MORRIS
ESSEX
HUDSON
SOMERSET
MONMOUTH
OCEAN
CUMBERLAND
CAPE MAY
DELAWARE BAY
ATLANTIC OCEAN
NEW JERSEY
STATE PLAN
Prepared By
THE STATE PLANNING BOARD
January, 1937

within which agriculture, forestry, and recreation may be conducted."

Three classes of counties exist in Wisconsin which require different types of zoning ordinances. The cut-over, submarginal northern and central counties are the only counties which have as yet adopted zoning ordinances. In these areas three zones are designated: (1) a forestry district, prohibiting agriculture and all other uses involving year-long residence, but permitting forestry and seasonal recreation; (2) a recreational district permitting forestry and all forms of recreation, including year-long residence, but prohibiting agriculture; and (3) the unrestricted or agricultural district with no limitations on land use.

The Wisconsin State Planning Board is now concerned with zoning in a number of counties which are not predominantly urban but which do not have the same characteristics as the cutover and submarginal counties—the in-between counties.

CITIZENS HAVE THEIR SAY

In the course of preparing the zoning ordinances and map, a democratic procedure has been developed. The county zoning committee holds local educational meetings in school houses, town halls, and private homes. Every landowner and resident is able to learn how zoning will affect him as well as the community. These meetings lay the groundwork for intelligent support of the ordinance in the future.

To give each citizen an opportunity to register formally his approval or dissent, an official public hearing is scheduled in the courthouse. After these meetings and hearings, the county zoning committee makes an official draft of the ordinance and a complete map showing the districts set aside for forestry and recreation. After official approval by the county board, the ordinance and proposed map are ready for official and final consideration by the town boards. When these have been considered by the several town boards, and town officers have made any changes in the zoning map thought desirable and in the interests of the community, the ordinance and map come before the county board for a final vote. Following a favorable vote, the ordinance becomes effective upon publication. The County Board of Supervisors is charged with the responsibility of administering and enforcing the zoning ordinance. The long months of education and discussion are thought of in Wisconsin as an investment in adequate administration.

Actions beyond those contemplated in the zoning ordinances have been taken to safeguard the future of both land and people in Wisconsin. Zoning committees in a number of counties have initiated, and county boards have approved, many exchanges of land between private owners and the county to block holdings for bet-

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Tennessee Experiments with the Merit System[1]

By **WILLIAM H. COMBS**
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and
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Lack of success of merit system attributed to lack of support on the part of administrators and people; education and understanding of merit principle needed.

TENNESSEE'S 1939 legislature has just added another chapter to the history of the merit system in that state, which began with the passage of the civil service law of 1923. Just how effective the new law will be, however, it is not possible to forecast at this time.

With the enactment of the reorganization bill in 1923 people in Tennessee had high hopes that an era of good government would follow. Not only had the state's administrative services been revamped along modern and efficient lines, but there was also provision made for the introduction of merit principles in its personnel administration, for the newly created Department of Finance and Taxation was to supervise and administer personnel.

Specifically, this department was empowered to determine the classes, grades, and titles of all employees of the departments, fix salary scales, certify pay rolls, transfer temporarily employees from one department to another, approve plans for vacations with pay, and conduct investigations in order to formulate plans for the better coördination of the work of all departments.[2] Nothing of note, however, was ever done towards complying with these sections of the reorganization act and they were repealed prior to the enactment of the 1937 merit system law.

Thanks to the agitation and work of many civic organizations, the political movement for a real merit system was revived by Gordon Browning, one of the Democratic candidates for governor in the primary election in 1936, just thirteen years after the first effort was made. In 1937, at the request of the Governor, the legislature enacted the merit system act of Tennessee which laid down broad and general concepts looking to the creation of a merit system of personnel administration for the state. Its outstanding characteristics were: (1) the adoption of the single administrator type of organization whose office was made a "part of the works" of the executive department; (2) the requirement of a defensible recruitment process based upon competitive examinations; (3) the supervision of employees; (4) the conduct of in-service training programs; (5) the formulation of a career system; (6) the establishment of good working conditions; (7) the development of service and promotional rating schemes; and (8) the use of a wide open back door for demotion and for dismissal of employees of proven incompetence.

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[1] The writers are indebted to Steve Cave, director of personnel, Franklin O. Rouse, formerly senior personnel examiner of the division and now supervisor of personnel and training in the Division of Unemployment Compensation, and MacDonald Salter, assistant director of personnel, for the technical information which they furnished relative to the operation of the Division of Personnel.

[2] Michie, *Annotated Code of Tennessee*, 1932, sec. 265; *Public Acts of Tennessee*, 1923, ch. 7, sec. 5-6.

The act was concise, definite, and free from lengthy sections regulating minutely administrative details and permitted the administrative agent a considerable amount of freedom in the establishment of procedures and practices. Moreover, it followed, with minor exceptions perhaps, the principles deemed to be most sound from the standpoint of theory and practicability, and it has been called one of the best merit system acts in effect in the country.[8]

VOLUNTEER PERSONNEL DIVISION

The merit system bill, which created a Division of Personnel in the new Department of Administration, was signed by the Governor on February 10, 1937. Prior to that time, in fact since the primary election in August 1936, a "personnel division" under the direction of voluntary workers had been in operation in hotel rooms formerly used as campaign headquarters. This organization distributed printed application forms many of which were filled out and returned. Soon after funds were made available in March a director of personnel, a senior examiner, and a personnel technician were appointed, the files and staff of "free" clerical help—about ten persons in all—were moved into other temporary headquarters, and the more than 15,000 applications were assembled by counties, an operation which only complicated the task of locating the most competent persons for the various vacancies soon to be filled.

Beginning in April all pay rolls were ordered into the Personnel Division for review and certification. From the files of the division and the state departments and services there was compiled a list of all applicants and incumbents then existent with some reference to classification and position.

This completed employment report showed that on April 1, 1937, 12,339 persons not formerly employed by the state were seeking employment under the merit law and approximately 3,000 state employees asked to be retained. Up to April 1st not more than one hundred dismissals and appointments had occurred under the Browning regime, but during the following months numerous dismissals and appointments were made without following the procedure of competitive examinations for determining either the incompetence of the incumbent or the fitness of the applicant.[4] From April 1, 1937, to the summer of 1938 there was a turnover of 49 per cent in state employees which did not, of course, include the 1,500 to 1,600 new positions in welfare, unemployment compensation, conservation, and elsewhere. The records will show aproximately 3,200 appointments including regular, temporary, and re-appointments, and a little more than 1,600 terminations.

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[8] *Public Acts of Tennessee*, 1937, ch. 54.

In this melee attendant upon the filling of offices following the close of the legislative session the Personnel Division was powerless to act in accordance with sound procedure. The division was understaffed and was given only about $21,000 for equipment and operating expenses for the first year. Hence, it could not prepare and administer assembled competitive examinations nor secure the services of outside expert aid for such work.

POLITICAL APPOINTMENTS DEMANDED

Moreover, the administrators were confronted with positive demands of their superiors and politicians for the appointment of "desirable" persons. They had the unenviable task of breaking down old and setting up new and equivalent practices in all the offices, a piece of work which often brought conflicts between their agency and those individualistically inclined employers and politicians who for various reasons resented interference.

Because of this pressure of the politicians, which was backed up by the people who were not yet sold on the idea of the practical application of a merit system divorced from politics, the administrators had to adopt a negative rather than a positive administrative policy. They found it necessary to limit their activities to the keeping of a system of records and to the making of the Personnel Division a kind of clearing house for personnel work.

It should be noted, however, that there were some exceptions to the irregular practices mentioned above. In filling positions in his department the commissioner of institutions and public welfare was not forced to take, in all cases, politically desirable people and persons backed by politicians who were without adequate training, experience, or other personal qualifications. Moreover, in the fall of 1938, with funds supplied by the federal government, there were set up competitive examinations for the 400 positions, classified into forty-three classes of jobs, in the Unemployment Compensation Division. This was the first department of the state government to have administered for it a series of assembled competitive tests under the supervision of the Division of Personnel.

Finally, when the press of business attendant upon the satisfaction of the demands of the "faithful" of the faction in power had subsided, it was possible to exercise greater care and to follow a technique in keeping with the merit principle in the selection of personnel, especially for the technical positions.

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[4] *Nashville Tennessean,* April 13, 1937.

ACCOMPLISHMENTS

Despite the apparent failure of the recruitment system there were several worthy accomplishments under the law. Realizing the value of classification and compensation plans to a sound personnel program, as well as to the simplification of fiscal control, the personnel director began to effect such plans on May 22, 1937. Neither time nor the condition of the staff would permit the usual procedure of studying each of the four to five thousand jobs involved, for the budget director had called for a salary schedule for all positions by July 1st. The personnel director, therefore, had to call upon the various employees to furnish the required information upon which to devise a classification plan.

While it was recognized that no classification plan based upon scientific data had been effected, all felt that the efforts made to secure the plan, such as it was, had brought beneficial results in that a confusing and bewildering array of titles for pay roll purposes had been eliminated.[5]

The compensation plan which followed, under the condition of no real classification plan, may be regarded as one of the greatest accomplishments under the act. A most chaotic condition was found relative to the compensation plan then in use. The pay of employees more often depended upon custom or the ability of the person to bargain individually with the employer than upon the responsibility of the position. All of this was remedied by the adoption of a compensation plan in which attention was paid to the type of position, the prevailing wages in private industry, and the ability of the state to pay.

For the first time in many years it was possible to determine accurately who were on the pay rolls of the state and their rate of pay. Generally the state scale of pay was higher than the scale for private enterprise for positions in the lower brackets. In the higher brackets, however, the scale for private enterprise was higher than that of the state, a condition which was caused by the ceiling of $5,000 per year for the commissioners of the ten departments whose salaries are fixed by the legislature. In the final analysis the salary schedule assigned increases to 40 per cent of the state positions as against reductions in 20 per cent.[6]

Rules and regulations relating to personnel transaction were established which improved greatly this phase of the work. Promotions now rested upon the successful passage of qualifying tests, and promotional appointments were made for a six-months probationary period the same as for first appointment. Demotions and suspensions were handled by the employer subject to the approval of the personnel director. Lay-offs were permitted for lack of funds, work, or in the interest of economy. A regular scheme was devised for the checking of pay rolls. An elaborate set of rules was promulgated for annual, sick, and special leaves whereby requests for leave had to be made of the Personnel Division through the employers. This system eliminated the great amount of confusion which had previously prevailed in the state services.

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[5] Personnel Circular No. 1, May 22, 1937. Files of State Personnel Division.

[6] *The Merit System, Act and Rules,* Bulletin No. 1, Department of Administration, Nashville 1938, rule IV.

Dismissals could be made by the employer "for good cause" and "for the good of the service," provided the employer filed a written statement with the personnel director showing the cause for removal, and the dismissed employee had the right to file an answer. If the personnel director found the charges unwarranted, he might approve the reappointment of the employee in the same position or in the same class of positions, but not in the same department. Such reappointment had to secure the approval of the appointing authority of the department to which he was assigned in order to be valid.

"Good cause" and "the good of the service" were not defined in the law or the administrative rules. Neither have there been any court cases on the subject of removal in which these terms have been elaborated. To date some removals have been made on the ground of "inefficiency."

No retirement system was set up by the law, but it did provide that the personnel director should make a thorough investigation of the possibilities of the establishment of a system of retirement benefits and report the results to the 1939 session of the state legislature, an action which was never accomplished.[7]

It is too early at the present time to determine exactly the fate of the merit system under the present administration. A new reorganization bill has been enacted which gives to the governor the power to dismiss any employee in the state service other than those who are elected to office, and to fix the salary of any such employee. This is certainly a startling deviation from the usual practice. Moreover, the new act provides that state employees shall be appointed by the administrative heads of departments from the list of eligibles furnished by the Department of Personnel subject to such minimum qualifications as to efficiency as may be established by executive order of the Governor or by law. The director of personnel is to be appointed by the Governor and hold office at his pleasure.[8]

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[7] *The Merit System, Act and Rules,* pp. 29-30, 32-34.

[8] *Public Acts of Tennessee,* 1939, ch. 11, secs. 6, 7, 15.

When Governor Cooper went into office in January 1939, he asked the General Assembly to repeal the act of 1937. Following this repeal, a new civil service bill was introduced[9] and passed without any substantial opposition.

The outstanding merit and the great difference in the 1939 act, as compared with the 1937 act, is that the latter provides for the establishment of a State Civil Service Commission of five members in the Department of Personnel. The commission is to be appointed by the Governor and any member is subject to removal by the Governor. The members are paid a per diem of $15 while in attendance at meetings, but no member is to receive more than $500 in any given year.

The commission is to pass upon the recommendations and policies of the state personnel director. It is assumed that the commission will also have general powers over the formulation and supervision of competitive examinations for the purpose of making up eligibility lists. The commission may also hear grievances made by discharged employees.

Broader powers are given the Governor in the 1939 act than were given in the 1937 act. For instance, after listing a long series of unclassified positions not subject to the jurisdiction of the act, the Governor is given authority to list as unclassified "all other positions determined by the Governor within nine months next after the passage of this act." This constitutes very wide powers as far as the exclusion of positions or divisions from the classified service is concerned.

It is not possible at this time to judge the effectiveness of the new act, as it will not be placed in operation for some weeks. Just now there is the customary turnover in employees which has characterized the inauguration of Tennessee governors for decades.

RECOMMENDATIONS

On the basis of the operation of the 1937 act and the apparent content and intention of the 1939 act, some very grave deficiencies ought to be corrected.

(1) A definite and adequate appropriation of at least five dollars per year for each position over which the agency has jurisdiction, which is an amount generally believed to be a minimum standard of financial support, should be given the Department of Personnel.

(2) The removal in part of undesirable political influence might be accomplished by making two or three revisions in the law. Greater limitations should be placed upon the Governor's power of appointment of the director of personnel either in the form of higher and more definite qualifications or by requiring a choice to be made from those qualifying under a competitive examination conducted by a bipartisan commission. Moreover, the requirements that positions in the state service be filled so far as

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[9] House bill 1299, chapter 211, Public Acts, 1939 (passed March 10, 1939).

County Road Administration Proves Efficient under Manager Plan

Henrico County, Virginia, finds public works activities benefited under new setup; increased mileage and improved roads reported.

By TAZEWELL ELLETT
Henrico County Engineer

DURING the year 1611, four years after the landing of the colonists at Jamestown, in Virginia, Sir Thomas Dale established a town about ten miles below the present site of the city of Richmond and named it Henricopolis in honor of Prince Henry, the eldest son of James I. In 1643 Virginia was divided into shires, one of which was named Henrico, to commemorate the town of Henricopolis which had been destroyed in the Indian massacre of 1622.

The shire of Henrico was so large that ten counties have since been carved out of it; but in spite of this division the present county of Henrico, at the head of tidewater on the north bank of the James River, has an area of 255 square miles. The population in 1920 was approximately 19,000; by 1930 it had increased to 30,000, and at present it is estimated at 37,000.

In 1922 the Henrico County Board of Supervisors established a county system of roads, embracing the main "through" and "connecting" roads. This was done for the double purpose of complying with a recently enacted state law which provided that counties should so designate the roads on which state funds could be spent, and distinguishing between the roads maintained and those not maintained by the county.

Each of the county's four supervisors, with funds derived from a county road levy and state aid, developed a district road force, with equipment, and directed the work through a road superintendent. This arrangement was continued until July 1, 1933, when the Board of Supervisors appointed a county engineer to take charge of the road forces and to perform such other duties as might be assigned him.

On September 19, 1933, the county, at a special election held in compliance with an act of the general assembly passed in 1932, adopted the county manager form of government. The 1932 act enabled any county, on a vote of a majority of its qualified voters, to adopt either a county manager or a county executive form of government. At the general election in November, 1933, a Board of Supervisors was elected, and on March 15, 1934, the county manager form became effective, there having been some delay because of litigation in the courts. Willard F. Day, city manager of Staunton, Virginia, was selected by the board as county manager, and he is still ably serving in that capacity.

Consolidation of Districts

One of the first changes made on adoption of the manager plan was the consolidation of the road forces into a county unit. This consolidation made it possible (1) to pool all equipment and to make use of it, or any individual piece, when and where needed; (2) to establish and operate a county equipment depot for the purpose of servicing and keeping in repair the trucks and equipment of the road force, as well as thirty-five school buses, ten police cars, and the motor equipment of all the other county departments; (3) to operate a gravel-washing plant for the county as a whole; (4) to establish and operate two plants for the pre-mixing of asphaltic surfacing material; and (5) to plan and carry out a more systematic and better coördinated yearly program of road work with greater efficiency.

The status of the county engineer under the manager plan has not been adversely affected. He is appointed by the manager instead of by the Board of Supervisors, and therefore reports to and is responsible to him. The engineer has the advantage of consultation with and the advice of the manager whenever desired. Citizens desiring to request service or register complaints may call on or correspond with the engineer, but they have the very great advantage of being able to confer with the manager, who transmits such a complaint or request for service to the engineer on a "work order" form. A copy of this form is retained until the original is returned with a report that the work has been done, or a reason for not doing it. This procedure provides a follow-up system that insures certain, prompt, and satisfactory response to the public. The availability of the manager, a full-time executive, is a distinct asset in public relations.

In order to properly maintain, overhaul and paint county road and motor equipment, an equipment depot was established by fencing off one and one half acres of the county farm and building a fireproof garage and repair shop. In addition to this main building, the county constructed an oil house, a storage shed, a grease pit, a washing platform, and an underground storage tank with pump for gasoline, the whole representing an investment of approximately $10,000.

The depot is operated by a force of eight men. In addition to the usual shop equipment, the depot operates a one and a half ton truck fully equipped for the use of a traveling mechanic in repairing and inspecting equipment of all county departments on the road. This prompt road service increases operating time, and decreases expense by eliminating otherwise distant trips to and from the depot. Inspections on the road reduce lost time and repair costs by detecting and remedying causes of trouble before the trouble occurs. During the fiscal years 1935, 1936, 1937 and 1938, the number of repair jobs done on county equipment was 974, 1,263, 1,706 and 1,079 respectively.

By doing the work with county labor, by purchasing materials and supplies through the county purchasing agent, by taking advantage of cash discounts, and by competitive bids, the county has fully justified the establishment of the depot.

Henrico County is one of the three counties in Virginia that maintain county systems of roads. The Henrico system totals 414 miles, of which 76 per cent has been surfaced with treatments of asphalt and stone or asphalt and gravel; the remainder has bank-gravel surfacing. During the four-year period from 1935 to 1938, a total of 309 miles of road has been so surfaced under construction or resurfaced under maintenance. In addition to the county system, Henrico County has 119 miles of state roads, maintained by the state, making a total of 533 miles of road in the county maintained with public funds.

Road Financing

No local tax levies are made for road purposes in Henrico County. The county spends its share of the state gasoline tax allocated by state law, and this is the only source of revenue. Expenditures in the last four years have been as follows: 1935, $147,100; 1936, $144,500; 1937, $130,300; 1938, $155,900.

Two bond issues were floated by the county prior to the change to the manager form of government. The first was an issue of $145,000 of 5 per cent bonds maturing in $10,000 lots annually. The former government paid off $63,000, leaving $82,000, of which the county while under the manager form has paid $42,000. It is planned to pay off the remaining $40,000 by 1942.

The second was an issue of $175,000 of 5 per cent bonds maturing in $5,000 and $10,000 lots annually. This issue had been reduced $45,000 when the manager form of government became effective, and has since been further reduced by $25,000, leaving $105,000 outstanding, which it is planned to pay off by 1950.

The provisions of two acts of the Virginia General Assembly may be emphasized to show how Henrico County retained control of its roads while other counties surrendered control, and in what ways the county-manager act affects this control.

What is known as the Byrd road law, passed March 31, 1932, established a secondary system of state highways, consisting of all county roads in the state. This law applied to all one hundred counties, but individual counties were permitted to withdraw from its provisions by a popular election. The law further provided that any county withdrawing would continue to receive from the state the amount of the motor-fuel tax to which it was entitled for the calendar year 1931, with normal increase, if any, and would retain control, supervision, management, and jurisdiction over its public roads under existing law.

On August 9, 1932, the date set for the election, the citizens of Henrico County voted to withdraw.

Manager Setup Efficient

The act of the Virginia General Assembly setting up the county manager form of government provides that the powers of the county as a body politic and corporate shall be vested in a Board of County Supervisors, to be elected by the qualified voters of the county. The board is the policy-determining body, and it appoints the county manager.

Where the county manager plan is adopted, the manager is the administrative head of the county, and he is required to devote his full time to the work of the county. The activities or functions of the county are distributed among the following general divisions or departments: finance, public works, public welfare, law enforcement, education, records, health, assessments, and farm and home demonstration.

In counties that retain control over the system of county roads, the county engineer is the head of the department of public works, in charge of the construction and maintenance of county roads and bridges, drains, and all public buildings, storerooms, and warehouses. He has custody of such equipment and supplies as the Board of Supervisors may authorize. He is required to exercise all the powers conferred and perform all the duties imposed by general law on the county road engineer; in addition, he is to perform such other duties as may be imposed on him by the Board of Supervisors.

What are some of the things that have been accomplished under our plan of management and road administration? It may be said definitely and emphatically that in Henrico County there is no diversion of road funds. The county roads are in increasingly better condition, and there are more of them. The net debt of the county has been considerably decreased. During the four years of county managership, the county has lived within its income. The 1938 tax rate is the lowest in eleven years in three of the four magisterial districts, and little opposition now exists to the county manager form of government as such.

EDITOR'S NOTE. Excerpts from "Road Administration under the County Manager Plan," appearing in *Better Roads* for March 1939.

GEORGIA COUNTIES OVERSHADOWED

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either by any large number of people. There is one ray of hope —a recently organized Citizens Fact Finding Committee. Its members apparently are seeking accurate information and intelligent solutions to Georgia's problems irrespective of all vested interest, whether they be public or private.

Arkansas Abandons the Merit System

By HENRY A. RITGEROD
Bureau of Municipal Research
University of Arkansas

Job-hungry politicians and lack of organized citizen support among the reasons given for repeal of civil service law after brief but stormy career.

WHEN Arkansas adopted the merit system in the spring of 1937 it was hailed as the first southern state to embrace an enlightened system of personnel administration.[1] But the honeymoon with civil service ended abruptly and unceremoniously. As reported briefly in the last issue of the REVIEW, the Arkansas General Assembly passed two separate acts, each repealing the merit system. Both became law without the Governor's signature.

Bills to repeal the Arkansas merit system were introduced in both the House and Senate on the first and second legislative days. On the fourth legislative day—under a suspension of the rules—the House withdrew one of these repeal acts from committee and passed it by a vote of sixty-four to twenty-eight. Two days later the act passed the Senate by a vote of twenty-two to twelve. Thus, in the first week of the session, civil service was outlawed.

But the impatience of the General Assembly with the merit system, apparently, was still not satisfied, for the act repealing civil service carried no emergency clause. Civil service was still to be operative until June 8, 1939. To meet this "emergency," the Senate, by an overwhelming vote, passed another repealing act during the middle of February. This time the measure carried an emergency clause. A few days later the House promptly concurred in the action of the upper chamber. The merit system was now no longer a curb on patronage ambitions.

The speed, lack of consideration, and large majorities accompanying the repeal indicate that it was, in a legislative sense, a popular measure. Its defeat cannot be explained solely as the result of a conspiracy of job-hungry politicians. Had there been any appreciable dissent from the crossroads and village precincts, the legislature would not have acted quite as summarily.

From the beginning civil service enjoyed little active popular backing. Adoption of the merit system was almost the single-handed effort of one of the most progressive governors which Arkansas has ever had—Governor Carl E. Bailey. It was not the result of widespread popular demand. Nor were there any organized groups—civil service leagues, taxpayers associations, or other pressure organizations—to promote the cause for civil service and counteract the attacks of its opponents. Arkansas has its quota of special interest groups which effectively influence public opinion and the course of legislation in their own behalf. But civil service had no such allies to neutralize the steady stream of criticism against it by political interests.

The merit system was also victimized by an unusually tense political situation accompanying its adoption. And whatever prestige the new personnel system may have developed during the first months of its operation was dissipated by a series of unfortunate circumstances.

Civil service emerged in 1937 on the heels of a bitter and gruelling primary for the governorship in which Governor Bailey defeated his two major opponents by a close vote. From the first, therefore, the act bore the stigma that it was a means by which the Bailey supporters hoped to perpetuate themselves in office. When the administration, which had been elected by only a small plurality, "blanketed in" its own supporters the system received its first black eye.

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[1] See "Arkansas Tries the Merit System," by Estal E. Sparlin, NATIONAL MUNICIPAL REVIEW, September 1938.

Three months after the merit system began operation, the state employees were confronted with the pressures of another campaign—that between the Governor and Representative John Miller, in October 1937, for the seat in the United States Senate made vacant by the death of Joe T. Robinson. In the heat of that campaign some of the state employees were accused of participating in politics despite the fact that Governor Bailey issued a special statement reminding them that, under civil service, they owed no political obligations. To what extent they did or did not participate is immaterial. The accusations were, none the less, discrediting factors to the new merit system.

For the tremendous job which confronted it, the new Civil Service Commission was given a paltry $11,800 per year for operations. Consequently, with a very limited staff, the commission could not establish eligibility lists as quickly as may have been desired. During the greater part of its first year, a large number of vacancies had to be filled by temporary appointments which, of course, were influenced by political considerations. The law also provided for a system of "merit ratings" under which those incompetent employees who had been "blanketed in" during June 1937 could have been eventually eliminated. Lack of funds, however, prevented these provisions of the law from being executed.

As a result of a combination of all these factors, the new merit system now became an easy target in the primary campaigns during the early summer of 1938. Politicos running for the 1939 legislature campaigned on the issue of repealing civil service. The system was pictured as discriminatory to the smaller counties and rural sections of the state. Pulaski County (Little Rock) was siphoning-off all of the jobs. Charges were voiced of political considerations in appointments. There was no end to the criticism which was conjured up against the law and its administration.

The attack was effective. Even some of the would-be friends of civil service were misled by these charges. No movement of any kind was under way to counteract them. A usual comment on the personnel system was, "I'm for civil service, yes; but not THIS kind of civil service." Yet, the Arkansas law, with some slight modifications, perhaps, was as acceptable as any similar state civil service statute in the country.

In retrospect, the Arkansas merit system —like an unwanted orphan child for whom there was no responsible guardianship— was subjected to the rigors of rough and tumble politics before it had learned to walk.

COLORADO SPRINGS THRIVES

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ager's secretary acts as the secretary of the commission as well. The powers given the manager by the charter amendments of 1921, coupled with his ability to secure the coöperation of the civil service commissioners, have made it possible for him to act in the capacity of a director of personnel.

That these achievements are due to the authority and legal position accorded the manager under this system cannot be denied. On the other hand, the efficiency of the manager and the continued alertness of the citizens have also played a very great part in maintaining over a period of nearly eighteen years that type of government of which the Citizens' Committee boasts.

Boston Finance in a Research Bureau Capsule

Popular Idiom for Northwest Research
New York State Bureau Causes Furor
Voting Machines Investigated
Researchers Utilize an Epidemic

IT would be hard to overestimate the importance of a March 1st report of the **Boston Municipal Research Bureau** labeled *A Decade of City Finances, 1929-38*. In sixteen legible pages—capsule form—the bureau has done for Bostonians who are acute enough to realize it a monumental service.

Discussions of municipal finances are common enough, but this one is unique because it gives the whole picture. It does not, for instance, cite a 1938 tax rate, and point with alarm or the reverse; it does show the 1938 tax rate in a comparative setting of tax rates for other years and other cities, thus enabling the reader to gape at more than a mere figure out of context.

Most topics in the report are treated that way, from two points of view: the trend in Boston over a period of years, and a comparison with similar statistics for comparable cities. There are also graphs and tables which, to civic-minded local people and to municipal researchers everywhere, should prove a veritable mine of basic data. The bureau's introduction to its report is perhaps the best summary description of it:

"Inquiries for basic information dealing with Boston finances have motivated the preparation of this financial manual discussing the more important trends of the past decade. The document is freely available to all interested groups and individuals.

"Throughout the report the approach has been factual in character. Nevertheless, the information presented will inevitably be the basis of any program for correcting the difficult problems which have arisen.

"Part One of the manual presents a summary computation of the tax rate in recent years. Parts two and three contain analyses and discussion of the expenditures and revenues, respectively, which affect the tax rate. Part Four is given over to a survey of Boston's debt and debt service costs. The final section presents additional major topics which have a vital bearing on city finances.

"Boston's high governmental costs have been thrust upon a shrinking property tax base. While the tax rate has climbed upward, large borrowing has occurred to balance income and outgo. Savings have been inadequate to meet adverse developments typified by the growth in welfare and state-imposed expenses. Adjustments have been largely confined to regular city departments, as opposed to school, county, and police agencies."

Regional Research Blossoms

The first region-wide attempt to translate into a popular idiom the findings of research agencies in the Pacific Northwest is now being undertaken by the **Northwest Regional Council,** a private nonprofit organization with offices recently established in Portland, Oregon. News of the undertaking is forwarded by John Blanchard, former National Municipal League staff member, who is acting as technician for the Northwest Regional Council.

Major functions of the council are to stimulate greater public awareness of basic Northwest problems, and to make available at all educational levels stimulating material about significant developments in the fields of conservation and management of natural resources, public welfare, and public administration.

Other important objectives are: (1) to provide machinery for conference and consultation among the advisory, research, planning, and educational agencies concerned with the orderly development of the

Pacific Northwest; (2) to foster coordinated research in the natural and human resource fields; (3) to act as a clearing house for the interchange of bibliographic and other technical data of a regional significance; (4) to encourage extension of sound public service training facilities and to make known the training required and opportunities available for career service in the various agencies of the federal, state, and local governments; and (5) to assist by means of publication and grants-in-aid specific research of a highly significant character and primarily regional in scope.

Indicative of some of the council's activities during its first six months of operation are:

Publication of *Regional Planning in the Pacific Northwest, A Memorandum,* by Lewis Mumford.

Collection of data for a bibliography of completed and "in progress" research in the fields of resource use and management, planning, and public administration in the Pacific Northwest has been completed. Organization and classification of this material is now under way. Publication is expected by June 1st.

Preparation of a pictorial treatment of the problems occasioned by the heavy migration of peoples into the Northwest region. This picture book is designed for use in the secondary schools and will have a popular interest. It is expected to be available by next fall.

Sponsorship of a conference among educational leaders, personnel directors of private industry, and representatives of various agencies concerned with youth problems to explore the possibilities of launching a research project into the occupational prospects for college graduates in the Northwest. It was the unanimous vote of this conference that the proposed survey be undertaken by the participants.

Consultation on public personnel problems in Washington, Oregon, and Idaho.

The council staff is composed of Kenneth O. Warner, director, formerly state personnel director of Arkansas; John B. Appleton, assistant director, formerly head of the Social Science Division, Scripps College, Claremont, California; and Mr. Blanchard, technician.

Research in the Public Prints

Less than a year old in point of organization, the **New York State Bureau of Governmental Research,** of which Abbett Pulliam is organizer and director, has recently stepped into the limelight of the New York governmental scene. At the same time that hearings were being held on a state budget which involved controversial new taxes, the bureau issued a series of bulletins comparing governmental costs in New York with costs in other states.

The result was a flood of newspaper publicity for the reports and a stream of editorial comment. Citizens divided hotly into pro- and anti-Pulliam factions, and even Governor Lehman felt it necessary to issue a statement on the subject.

Chief point of attack was the bureau's charge that 50.3 per cent of home relief recipients in an unnamed city are legally ineligible for aid. The director of the bureau refused to reveal sources for this statement, but promised to lay them before a legislative investigating committee if one were constituted.

It seems clear that the bureau's work will have at least some influence on the ultimate outcome of the legislature's deliberations, while one possible result may be a legislative investigation of local relief administration. The situation highlights once more the tremendous potentialities of the work of research bureaus, and their grave public responsibility.

Mechanized Voting

Thirty-five cities and counties were polled by the **Flint Institute of Research and Planning** to discover what had been their experience with voting machines. The institute summarizes its findings in a twenty-five page mimeographed report dated February 1939. Besides the useful tabular resume of financial and other severely factual data, there are some interesting conclusions of a more general nature:

"Voting machines, by and large, have not affected voting habits of the American citizen, except possibly to make voting a pleasurable task, due to the facility with which it now can be done. Most cities find that it has not affected the type of individual nominated and elected to office, nor has it interested more citizens in political campaigns. If more persons participate in elections, it is because there are more persons of voting age, rather than because of any particular advantages of voting machines.

"Most city election officials express the opinion that their citizens thoroughly like voting machines. Curiosity first attracts them to use the new method; but experience has taught them that voting machines generally act in an efficient and quick manner. Election officials too seem enthusiastically in favor of the new devices. While they have particular objections to certain deficiencies of the present machines, the way in which their own election services have been more satisfactory have convinced them of the efficacy of this method of voting."

Cholera

Melodrama makes its bow in the February pages of the bulletin of the **Rochester Bureau of Municipal Research:**

"During the spring and early summer of 1832 the people of Rochester were living in fear. Asiatic cholera had made its appearance in Canada and was working its way into the state by way of the Champlain Canal. The Erie Canal—so lately hailed by the people of the village as the creator of prosperity and happiness—had become a menace. Although the danger was apparently discussed freely by the people, no indication of the impending crisis appeared in the press. On June 23rd, however, the *Genesee Farmer*, an agricultural weekly published in Rochester, pried off the lid of silence."

Although it may smack of the unfair tactics of movie serial makers, who leave the heroine dangling over a volcano with the heartless comment, "To be continued next Saturday afternoon," that's as much of the story as will be reprinted here. Let it suffice that the Rochester bureau tells the story of the epidemic with splendid dramatic effect, and refrains from moralizing until the last paragraph. Then it comments that the work of the village board of health in the cholera crisis "furnishes a starting point from which to measure a century's advance in the field of public health."

There could hardly be a better way of pointing up the exciting function of government in daily life. Couldn't this be the key to the problem of arousing public interest in government? The teachers' colleges are hammering away every day at the idea that teacher must start where the children are and then raise them by easy stages. Culturally speaking, the American citizenry is at the movies. Couldn't we pluck them upward and onward by showing them that government *is* movies?

Research Bureau Reports Received During the Month

Assessment of Property

Assessed Valuations, Rochester Bureau of Municipal Research, *Municipal Research*, February 1939. 1 p.

Valuation of Buildings, Citizens' Research Institute of Canada, *Canadian Taxation*, February 24, 1939. 4 pp.

Borrowing

About an Anodyne (Short term borrowing). Detroit Bureau of Governmental

Research, *Just a Second,* March 7, 1939. 2 pp.

City of Buffalo Debt, Buffalo Municipal Research Bureau, *Just a Moment,* March 9, 1939. 1 p.

The City Debt, Rochester Bureau of Municipal Research, *Municipal Research,* February 1939. 1 p.

A Costly Borrowing (Sale of city's gas works rental). Philadelphia Bureau of Municipal Research, *Citizens' Business,* March 7, 1939. 2 pp.

Debt Service in Buffalo 1939-40 Budget, Buffalo Municipal Research Bureau, *Just a Moment,* February 16, 1939. 1 p.

New York's Debt Situation, New York State Bureau of Governmental Research, *Bulletin,* March 2, 1939. 2 pp.

City Charter

Public Improvements Under the Proposed Charter, Philadelphia Bureau of Municipal Research, *Citizens' Business,* February 28, 1939. 3 pp.

Courts

Justices of the Peace and Constables, Citizens League of Cleveland, *Greater Cleveland,* February 16, 1939. 4 pp.

Selecting Judges, Philadelphia Bureau of Municipal Research, *Citizens' Business,* February 21, 1939. 3 pp.

Employment Statistics

Analysis of Recent Economic Development in Minnesota on the Basis of Occupational Employment Statistics, Minnesota Institute of Governmental Research, *State Governmental Research Bulletin,* February 1939. 31 pp.

Finance in General

Bills Affecting Taxes, Expenditures, and Public Finance, Chicago Civic Federation and Bureau of Public Efficiency, *Bulletin* No. 165. 4 pp.

Governmental Costs in State, Counties, Cities, Towns, Villages, and School Districts, New York State Bureau of Governmental Research. 2 pp.

A Decade of City Finances, 1929-1938, Boston Municipal Research Bureau, *Report,* March 1, 1939. 16 pp.

Housing

Housing Funds and Authorities, Buffalo Municipal Research Bureau, *Just a Moment,* February 9, 1939. 3 pp.

Libraries

The Rochester Public Library, Rochester Bureau of Municipal Research, *Municipal Research,* February 1939. 1 p.

Merit System

The Merit System is Economical, Citizens League of Cleveland, *Greater Cleveland,* March 9, 1939. 1 p.

Property Tax

1938 Property Taxes in Chicago, Chicago Civic Federation and Bureau of Public Efficiency, *Bulletin* No. 166, March 1939. 3 pp.

Tax Delinquency Growing! Kansas City Civic Research Institute, *Kansas City Public Affairs,* March 2, 1939. 2 pp.

The 1939 Tax Bill, Duluth Governmental Research Bureau, *Green Paper,* February 27, 1939. 3 pp. (mimeo.)

Public Safety

New York's Costs Compared With Those of Other States, New York State Bureau of Governmental Research, *Bulletin,* February 27, 1939. 2 pp.

About the "Kelly-Off" (Firemen's hours and wages). Detroit Bureau of Governmental Research, *Just a Second,* February 28, 1939. 2 pp. (mimeo.)

Public Utilities

Street Railroad Com'r. Office, Citizens League of Cleveland, *Greater Cleveland,* March 9, 1939. 1 p.

Public Welfare

Relief Costs, W.P.A. Earnings and Public Welfare Costs, Buffalo Municipal Research Bureau, *Just a Moment,* February 16, 1939. 2 pp.

Relief Economy Possibilities, New York State Bureau of Governmental Research, *Bulletin,* February 17, 1939. 2 pp.

Reporting Direct Unemployment Relief Expenditures, Toronto Bureau of Municipal Research, *"Relief" Story* No. 2, February 21, 1939. 4 pp.

Schools

The Board of Education, Rochester Bureau of Municipal Research, *Municipal Research,* February 1939. 1 p.

New York's Costs Compared With Other States, New York State Bureau of Governmental Research, *Bulletin,* February 16, 1939. 2 pp.

School Salaries, Providence Governmental Research Bureau, February 1939. 1 p.

Some School Comparisons, Kansas City Civic Research Institute, *Kansas City Public Affairs,* March 9, 1939. 3 pp.

State Aid Discriminates Against Schools Located in Milwaukee County $500,000 Annually, Citizens' Bureau of Milwaukee. 9 pp. (mimeo.)

Sewers

Bases of Sewer Rentals, Buffalo Municipal Research Bureau, *Just a Moment,* March 9, 1939. 1 p.

State Aid

Should the State Budget Be Raised to Give More State Aid to Municipalities? New York State Bureau of Governmental Research, March 6, 1939. 2 pp.

State Labor Relations

State Labor Relations Acts, California Bureau of Public Administration, *1939 Legislative Problems,* February 10, 1939. 30 pp. (mimeo.)

State Reorganization

State Fiscal Organization, California Bureau of Public Administration, *1939 Legislative Problems,* February 15, 1939. 9 pp. (mimeo.)

Voting Machines

The Use of Voting Machines in Thirty-five Cities or Counties, by Max P. Heavenrich, Jr., Flint Institute of Research and Planning, February 1939. 24 pp. (mimeo.)

NEW JERSEY

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ter administrative purposes. When owners of undeveloped land in a forestry district did not wish to use their lands for permitted uses, the county has exchanged such lands for county-owned lands of equal quality located in an unrestricted district. The Wisconsin Conservation Department has also arranged similar exchanges of land with various counties.

Although rural zoning does not involve the purchase of land, several counties in Wisconsin have bought up the holdings of isolated settlers. This was really an act of economy for it has been estimated that isolated settlers have cost their communities as much as $1400 in excess of the taxes paid in any one year. The federal government, through the Farm Security Administration, and the state have also made possible the resettlement of families in established communities.

Out of this midwestern rural state of less than half the population of New York City has emerged in our time a device for balancing men against the land. As a result of the basic changes in the pattern of land use which this technique will eventually produce throughout the United States, the form and function of local government will inevitably be revised. Many units made obsolete by zoning will have to be consolidated, especially in communities with large areas of publicly owned land, low valuation, and a dwindling population. For the first time in the long history of man's occupation of the land, a sound legal basis has been laid for permanent change in the institutions of local government. As future events give planning the lie, and as men try breathlessly but always tardily to record the present, the forms of rural zoning may fall away or be transformed, but its basis in knowledge will always endure as a reminder of where the safety and welfare of mankind really lie.

EDITOR'S NOTE.—Adapted from address delivered before conference of Governmental Research Association.

Odds and Ends from Here and There

Mr. Pope Notwithstanding

Bad systems are at the root of many of our governmental evils. With a good system, even a mediocre man can do effective work; but a bad system will tend to discourage even a good man. WILLIAM B. HERLANDS, New York City Commissioner of Investigations, as quoted in "City Watchdog," by Webb Waldron, *Reader's Digest,* March 1939.

President Roosevelt on the Merit System

> *The growing complexities of modern government require the development of a trained personnel of men and women of outstanding ability, resourcefulness, and breadth of mind willing to devote their lives to the public service. Upon the development of such a personnel, the future of our democracy may in no small measure depend.* From a letter to Supreme Court Justice Stanley Reed, as quoted in the *Civil Service Assembly News Letter* of March 1939.

The Sage of Emporia Discusses the County

The bill [recently introduced in the Kansas legislature] which, if it became a law, after the passage of a constitutional amendment, would permit county managers to be established in Kansas counties, is a good bill to discuss. The weak point of government in the United States is county government. Not that it is corrupt. Generally speaking, it is honest, But it is awkward and was established for another day and age. It is a hangover of the mid-nineteenth century. Not only should county government be simplified, not only should we put counties under county managers as we are putting cities under city managers, but in Kansas, for instance, the number of counties could be cut in three. We don't need them. . . .

To start on a county manager is a swell idea. The bill should go through. We should discuss the constitutional amendment, and in discussing it reveal the fact that county government under the set-up of a constitution adopted in 1861 is a sad mess. Honest county officers all over Kansas are trying to make something out of it in the various courthouses. The way to improve, the way to give these county officers a fair break in securing honest government, is to change the whole form and set-up of county government. WILLIAM ALLEN WHITE, *Emporia, Kansas, Gazette,* February 24, 1939.

To the Editor of the NATIONAL MUNICIPAL REVIEW:

I was much interested in Mr. Albert DeRoode's reply to my article regarding the courts and the merit system. I do not wish to protract the controversy further. But since Mr. DeRoode reargues with great skill certain cases which he has had before the Appellate Division, one of which is still pending and may still be appealed, I feel that some comment is justified.

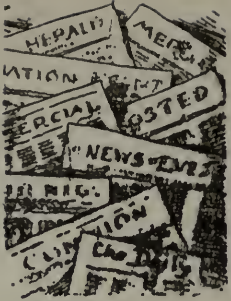
The lower courts, staffed by Tammany Hall in this city, if they do not believe in patronage at least openly indulge in it. For instance, in receivership patronage, which is given out by the court itself, there has been a frank and open acknowledgment of political and family ties rather than an effort to give such awards on the basis of merit alone. Aside from the more disagreeable revelations that much of this patronage had been given to political heelers, it was disclosed in June 1937, for instance, that three close relatives of Justice Francis J. Martin, Presiding Justice of the Appellate Division, had received juicy plums amounting to $11,562.43 in 1933. These were: James A. Martin, the Judge's brother, who got $6,011.68 for thirteen jobs; Lawrence Martin, another brother whose forty-one appointments amounted to $4,400.50; Adrian P. Burke, the Judge's son-in-law, who received $1,150.25 from ten appointments.

Mr. DeRoode knows that for many years Frank Prial has been an outstanding civil service political leader. Prial held political appointments from Tammany Hall for nearly twenty years and during that time appeared on occasions for the extension of political appointments. For instance, in January 1926, he appeared before the commission urging the creation of new exempt positions in the comptroller's office and said: " . . . I am the greatest advocate of theoretical civil service, but we admit the practical things in this life."

Prial runs a civil service weekly newspaper for profit. There is nothing wrong in this but there are times when the profit motive and the merit system are not consistent. For instance, strong progressive civil service administration has been requiring some attention to educational standards. This will naturally limit the number of candidates, therefore the number of prospective readers of civil service newspapers and customers for civil service coaching schools. Prial's newspaper, therefore, opposes educational standards. Prial predicted, when we set educational credits for policemen, that "the courts will not countenance this flagrant violation of the state constitution." Thereupon Mr. Prial's organization filed a law suit, and true to his prediction, the Appellate Division upheld Mr. Prial's contention. This was the case in which this commission had attempted to give credit for relevant college

(Continued on Page 330)

Recent News Reviewed



Rhode Island, Alabama Secure Merit System

Legislatures Discuss Manager Proposals

By **H. M. OLMSTED**

Alabama became the first state to adopt civil service in 1939, with legislative approval of an administration measure of Governor Frank Dixon that puts approximately four thousand employees under the merit system.

The new law will establish a broad personnel program covering all state departments. It includes a position-classification plan, a salary and wage schedule based on equal pay for equal work, systematized promotions and transfers, and in-service training of employees. The Governor signed the bill on March 2nd.

On March 7th the lower house of the Rhode Island legislature followed the earlier example of the Senate in unanimously approving a state civil service bill supported by Governor William H. Vanderbilt. About four thousand employees are affected. (See also note following.)

Alabama becomes the fourteenth state in the country with a formal merit system law. Other states in the group include Tennessee, Connecticut, Maine, and Michigan, which enacted merit system laws in 1937, and California, Colorado, New York, Massachusetts, Wisconsin, Illinois, New Jersey, Ohio, and Maryland.

Legislatures of sixteen other states are considering merit system proposals at present for either state or local governments. In Minnesota a state civil service bill has passed the lower house by a vote of ninety-eight to twenty-eight. North Dakota's Senate has also approved a civil service bill. In Oklahoma, where a bill has been introduced in both branches of the legislature, a House committee has reported it out favorably. The New Mexico Senate has approved a similar measure.

Other merit system bills have been introduced in one or both houses of the following legislatures: Arizona, Georgia, Indiana, Iowa, Kansas, Nebraska, New Hampshire, New Mexico, Oklahoma, Oregon, Pennsylvania, Texas, Utah, and Washington.

Competitive Examinations Required for all Rhode Island Classified Jobs

The civil service bill recently approved in Rhode Island is unique in that it provides for open competitive examinations for all positions in the classified service. Heretofore, efforts for a civil service act have failed largely because the political party in power insisted either on blanketing-in all employees or qualifying examinations. It is recognized that the task of giving open competitive examinations to all persons involves considerable work, but it is generally believed that more satisfactory results will be obtained.

The law provides for a civil service commission with six-year overlapping terms; one member shall not be of the same political party as the Governor. A Department of Civil Service is established, the administrative head of which is to be known as the director. He is to be appointed by the Governor from a list of three persons found by examination to possess the necessary qualifications to administer the department. Examinations are to be conducted by special commission, two members of which "shall be chosen from among the most competent persons in the field of public personnel administration." The director is charged with administrative and technical activities, and the commission is to represent public interest in the improvement of personnel administration, to advise the Governor and director, to make investigations, to make annual reports, to approve or reject rules recommended by the director, to approve a classification plan, and recommend to the Governor a proposed pay plan.

Heads of departments will be required to appoint the person or persons standing highest on the eligible list, and any appointing authority may dismiss a classified employee "whenever he considers the good of the service to be served thereby." In every case of dismissal "the appointing authority shall, before the effective date thereof, give written notice of his action to the director and the employee." The director is required to make an investigation of the dismissal and report his findings to the commission. The employee may file with the commission a statement in writing concerning the dismissal. The commission may in its discretion approve the dismissal, or it may transfer the affected employee to jurisdiction of another department head who is willing that the transfer be made. The action of the appointing authority in dismissing the employee, however, is, in effect, final. The act covers not less than 85 per cent of the state employees and exempts only the regular department heads, the state police, and special employees of state institutions, etc.

Annual Budget

Another important state measure of the year is the annual budget. In brief, Governor Vanderbilt has recommended a budget which totals approximately $1,250,000 less than the budget for the current fiscal year—a reduction from $16,500,000 to $15,250,000. Notwithstanding this reduction, it will be necessary for the state to impose approximately $1,250,000 in additional taxes to balance expenditures with anticipated revenue. To accomplish this end, the Governor has specifically recommended a two-cent tax on cigarettes, and an increase in the tax on spirituous liquors. In addition, he has suggested certain other taxes which may be selected by the legislature to provide the necessary revenue. The budget message was clear and unequivocal and evidenced the first downward tendency in many years.

ROBERT M. GOODRICH
Providence Governmental Research Bureau

Good Government Looks Up in State of Washington

Proponents of good government in the state of Washington are pleased that their House bill 44, an enabling act to allow amendment of the charters of cities of the first class (20,000 population or more) by initiative, passed the House by a vote of sixty-eight to nineteen, but there is some doubt whether they can blast it out of an unfriendly judiciary committee in the Senate. This act is a practical necessity if we are ever to get proportional representation adopted in any of the larger cities of this state.

Although Washington has avoided ever acquiring any state debts, with one negligible exception continuation of the pay-as-you-go policy seems likely to bring an increase in taxes. The Governor proposed rather substantial cuts in the costs of state government, but under pressure from many sources it looks as though the total appropriations will be larger than for the previous biennium.

Indicative of the growing consciousness of Seattle's leaders that they must take a firm and active hand for good government if their community is to hold its own, is the renaissance of the Seattle Municipal League under the leadership of George LaFray as president, and Glen Eastburn, formerly of Omaha, Nebraska, as executive secretary. This good government organization, founded in 1910, nearly passed out of existence during the depression, but it now bids fair to become a powerful factor in the community. Charles P. Taft, son of the former President and councilman of Cincinnati, addressed a small luncheon group in Seattle, consisting of the board of the Municipal League, committee chairmen, and a few others particularly active in the problems of good municipal government. He stressed the need of independent citizens' organizations as sources of governmental research and the means of getting the true facts before the electorate. He gave as a yardstick of municipal progress not only efficiency and honesty in government, but a government that gives all its citizens a maximum chance for the enjoyment of their opportunities.

The street car mess in Seattle seems to be approaching a solution through an RFC refinancing and rehabilitating loan which now seems quite probable of consummation through the able handling of Mayor Arthur Langlie with the support of the city council.

J. W. Clise

Seattle, Washington

Consolidation of State Functions in Kansas

Governor Ratner and State Senator Skovgard have been urging legislation consolidating state governmental functions. A report of the research department of the legislative council, stating that salaries take two-thirds of state operating funds, has stimulated efforts to eliminate duplication in department activities. A merit system to prevent rapid and costly turnover in personnel is one of the prominent objectives.

Manager Plan before Legislatures, Councils, Voters

Recent Referenda

On March 7th **Castleton, Vermont,** adopted a council-manager charter.

On the same day **Middlebury, Vermont,** voted 599 to one to retain its council-manager government.

On March 13th **Davison, Michigan,** adopted a manager charter by the vote of 140 to 111.

Voters of **Duluth, Minnesota,** defeated a manager plan charter on April 4th.

Poplar Bluff, Missouri, defeated its proposed manager charter by a vote of 1,977 to 229. The two political organizations are reported to have united against the plan.

Midland, Michigan, has voted against charter revision.

The city council of **Modesto, California,** plans to provide for a popular advisory vote on the manager plan, at the April 11th municipal election, if legally possible.

The proposed **Traverse City, Michigan,** manager charter is to be voted upon at a special election on June 20th.

Trenton votes on April 18th on a proposed abandonment of the manager plan.

Legislative Proposals

Advocates of the **Illinois** city manager enabling legislation were heard in Springfield on March 7th by the municipalities committee of the House of Representatives. Among the organizations represented at the meeting of proponents were the Illinois Council-Manager Conference, the Chicago City Manager Committee, the Chicago City Club, the State Association of Commercial Secretaries, and the American Legion.

On March 21st opponents of the legislation were heard, including R. G. Soderstrom, president of the State Federation of Labor, while Duncan McDonald, former president of the federation, urged favorable consideration. Critics, including another legion representation, denounced the bills as leading to dictatorship and bureaucracy and "destroying all vestige of the democratic form of government." At the close of a hectic session the committee voted against approval.

On March 9th and 23rd public hearings were held in **Philadelphia** on the Senate bills covering the proposed city manager charter; they were conducted by members of the Senate and the House of Representatives.

In **Pittsburgh, Pennsylvania,** the *Sun-Telegraph* has commended efforts in Harrisburg to persuade the legislature to authorize referenda on the manager plan with proportional representation. The proposed charter was introduced by Senator John M. Walker of Allegheny County early in March.

Governor William H. Vanderbilt of Rhode Island and Mayor John F. Collins of Providence are reported to have reached an agreement to submit to **Providence** voters at the same election all the principal proposals for changing the form of government of that city, including the Charter League's city manager-P. R. plan now before the legislature.

Bills sponsored by the Charter League of **Central Falls, Rhode Island,** have been introduced in both houses of the state legislature. They provide for a city manager, a council of five to be elected by P. R., civil service, and a retirement fund for all city employees.[1]

A bill has been introduced into the **Rhode Island** legislature making it possible for cities to draft new charters on action by their legislative bodies or on petition of 10 per cent of qualified electors.

The **Massachusetts** Senate on March 7th defeated efforts to rescind the right of municipalities to adopt "Plan E" charters—providing for city managers and proportional representation—when it accepted the adverse report of the committee that had been considering the bill to repeal the 1938 law authorizing the plan. Some days later an attempt in the House to reverse the Senate's action by reconsideration was likewise defeated.

A bill providing the manager plan for **Concord, New Hampshire,** has been filed in the state legislature.

The city government of **Keene, New Hampshire,** is advocating a charter amendment substituting for the present bicameral council a single body of ten, two from each ward, and permitting the city to adopt the manager plan or other form not in conflict with state law.

Petitions were being circulated, with good results, in **Wilmington, North Carolina,** last month, to bring before the state legislature the question of authorizing the manager plan for that city.

In **Greenville, North Carolina,** following a mass meeting that went on record in favor of the manager plan, the board of aldermen asked the state legislature to authorize a referendum on the subject. A bill to provide such a referendum is now before the legislature. A similar bill for **Raleigh** has passed the House of Representatives and is now before the Senate.

The South Carolina General Assembly has authorized a manager charter for **Greenwood.** The first councilmanic election under the plan was held on April 4th.

The **Montana** House of Representatives has adopted an act reducing the percentage of registered voters necessary to petition for a referendum on changing a city's form of government from 25 to 20 per cent. In **Great Falls,** where the commission-manager plan is under consideration, 2,648 signatures would be needed under this provision instead of 3,310.

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[1] See also page 322 of this issue.

In **Maine** two bills making the manager plan optional for towns have been introduced in the legislature.

Caribou, Maine, on March 20th, ratified its manager charter recently passed by the legislature. The new government goes into effect in March, 1940. The towns of **Norway, Lisbon, Bath, Lincoln,** and **Anson** are seeking legislative approval of manager charters, and **Presque Isle,** now operating under a town manager, has been granted legislative permission to become a city under the manager plan. The act must be submitted to a referendum vote.

Activity Elsewhere

In **Atlantic City, New Jersey,** a citizens' group patterned after the Cincinnati model as a permanent nonpartisan organization, is advocating the manager plan.

Bemidgi, Minnesota, is working on the draft of a new charter which it is expected will be submitted to the voters.

A council-manager committee in **Birmingham, Alabama,** is making headway and has drafted a bill for introduction in the state legislature.

A bill providing the manager plan for **Manchester, Georgia,** has been passed by the House and Senate.

A group of citizens in **Galveston, Texas,** first city to use the commission plan of government, is considering the manager plan.

The following additional communities are reported to be interested in the council-manager plan: **Port Huron** and **Hazel Park, Michigan; Tomahawk, Wisconsin; Lawrence, Kansas; Havre** and **Conrad, Montana; Culver City** and **Santa Monica, California; Ogdensburg** and **Johnstown, New York; Orlando, Florida; Clifton Forge, Virginia; Ludlow, Vermont;** and **Belleville** and **Toronto, Ontario.**

Johnson City under the Manager Plan

The city manager form of government, as recently granted by the legislature, will become operative in Johnson City, Tennessee, (population 25,080) in May when the new, complete, special charter goes into effect. The manager will be selected for a two-year term by the five-member board of commissioners but is removable only by means of the state "ouster law," which requires a specific charge of misconduct and a trial before a court. The first manager cannot be a resident of the county in which Johnson City is located.

A civil service commission is to prepare a list of eligible persons for appointment to the safety services. Firemen and policemen may demand a hearing before the city commissioners if dismissed by the manager.

A board of education is given general supervision over the schools but is subject to fiscal control by the city commissioners.
—L. E. A.

Indiana Creates Commission to Study City Manager Plan

The regular session of the Indiana General Assembly that ended on March 6th enacted legislation creating a commission to study the city manager plan of government and to make recommendations for necessary statutory and/or constitutional changes to permit cities to adopt the plan. The Commission will be composed of seven members: two selected by the president of Indiana University, two by the president of Purdue University, one by the Lieutenant-Governor, one by the speaker of the House of Representatives, and one by the Governor. It is to make its report in December 1940, just before the next regular session of the legislature.

Other legislation included several police bills: effective January 1, 1940, all police departments will operate on an eight-hour day, except that it will be optional with councils of cities of the third and fourth classes; civil service procedure was adopted for the police department of the city of Gary, Indianapolis having been the only city with its police department under civil service; and the chiefs of the Indianapolis police and fire departments can now be removed only for cause.

Utility legislation included a measure to strengthen the legal right of Indianapolis to purchase the privately-owned water company's property; a law exempting municipally-owned utilities from all property taxes; and a law requiring Fort Wayne to create a pension fund for the employees of its two municipal utilities, other cities being required to form retirement funds for similar employees, with the municipal utility matching the contributions of the employees.

Cities of the second class may now sell or lease mineral rights in parks and airports; the percentage of the cost of grade-crossing eliminations to be met by the railroads was reduced; high schools of cities, towns, and townships where free textbooks are provided in the elementary grades are permitted to provide free text and reference books; and fireworks are to be banned everywhere in the state after August 1, 1939.

VIRGIL SHEPPARD
Indiana Department of Public Welfare

Knoxville Electric and Water Utilities Administered by Separate Board

A charter amendment placing Knoxville's water and electric utility systems under a semi-independent utility board is of particular interest at this time. The agreement reached between the Tennessee Valley Authority and the Commonwealth and Southern Corporation for the sale of the Tennessee Electric Power Company to the TVA and local governmental units opens the way for the acquisition by many Tennessee municipalities of electric distribution systems. The board type of administrative agency was selected after much local discussion because it was thought to be the best safeguard against the entrance of political factors, party or personal, in the management of the utility services.

The Knoxville Electric Power and Water Board will consist of five members, the first incumbents to be appointed by the mayor and confirmed by the council, to serve for staggered terms of two to ten years. Their successors, who will enjoy ten-year terms, will secure office upon (1) favorable vote of the city manager, (2) favorable vote of a majority of the utility board, and (3) either confirmation by a majority of the city council or failure of that body to approve or disapprove the appointment.

The board will select a general manager, who in turn will appoint a superintendent to head each of the three bureaus of power, water, and accounts. The superintendents, subject to the approval of the general manager, will appoint, remove, and otherwise control the personnel in their respective bureaus. The amendment contains only an anti-nepotism clause, although the water department employees apparently retain their present status in the "civil service." It is reported that the legislature will be asked to pass another amendment placing the electric system employees under civil service also.

The accounts of the power and water systems are to be maintained separately, and each system is to make payments in lieu of property taxes to the city. The board may borrow money not exceeding certain maximum limits stated in the amendment. The provision that the utility board may either use the city's purchasing, legal, and engineering departments or provide its own allows a large measure of independence in management.

Nashville Electric Power Board

Anticipating that Nashville will acquire the local distributing system of the Tennessee Electric Power Company and will sign a power contract with the TVA, the Tennessee legislature has amended Nashville's charter to create an electric power board to manage a municipally-owned electric utility. A five-member board will be appointed by the Mayor and Board of Public Works and confirmed by the City Council. Overlapping terms of four, eight, and twelve years are provided; the chairman will receive $3,000 a year salary. A general manager will be in charge of construction and operations. The board is given powers of contract and eminent domain as well as jurisdiction over employees of the electric utility. The amendment prescribes disposition of revenues in accord with the standard TVA power contract, including tax equivalent payments. Once acquired by the city, the electric system cannot be sold without approval of the electorate.

Lyndon E. Abbott
Tennessee Valley Authority

High School Students Discuss Charter Proposals for Philadelphia

Student representatives from secondary schools of Philadelphia and vicinity assembled at Temple University on Saturday, February 18th, at the Conference on Problems in Local Government sponsored by the Civic Forum League, an informal organization of secondary school teachers and principals interested in fostering student discussions of contemporary problems. In the morning eight round tables were conducted, in which about four hundred students took part; the topics were the proposed Philadelphia charter, proportional representation, taxation, zoning, the Mort plan for equalizing financial support for New Jersey schools, consolidation of local governments, rehabilitation of the economically submerged, and local welfare and relief administration. In the afternoon two discussion panels were held, comprised of two delegates from each round table; these had to do with problems of the large city and problems of general interest to local and state units. Questions from the floor were addressed to the panel for reply or discussion. A concluding address was given by Walter J. Millard, educational director of the Philadelphia Charter Committee and field secretary of the National Municipal League.

The large attendance, the widespread interest, and the excellence of the discussions commend the idea of such a forum to League members everywhere for their own communities.

WPA Highway and Recreation Projects

Construction of 2,531 miles of roads and improvement of more than 28,000 miles by workers of the Works Progress Administration in the four-month period from July 1 to November 1, 1938, has been announced by Colonel F. C. Harrington, Works Progress Administrator. Most of this work was done in rural districts.

In addition, Colonel Harrington reported the completion in the same period of more than four thousand new bridges and 52,000 new culverts; the construction or improvement of 1,500 miles of sidewalks and paths, and more than 56,000,000 linear feet of roadside drainage ditches. The figures represent only projects brought to completion during the period mentioned and do not include work done on approximately 10,300 other highway projects. More than 47 per cent of all persons employed by the WPA were reported to be at work on projects of this type.

The Works Progress Administration also has announced that between July 1st and November 1st a total of 1,450 new athletic fields, parks, swimming pools, and other recreational facilities were completed, and 1,675 were repaired or otherwise improved.

Regional Authorities for the New Jersey Shore

The Atlantic City Planning Association has sponsored proposed state legislation to permit the formation of regional authorities in New Jersey municipalities bordering on the Atlantic Ocean, to own and operate roads, bridges, waterways, parks, facilities for public amusement, recreation and instruction, etc., to collect charges for the public use of these, and to issue bonds secured by revenues or otherwise.

Flint Provides for Effective Planning

A new city planning commission, superseding a former advisory board, has been established by popular vote in Flint, Michigan. The mayor is empowered to appoint a nine-man body consisting of himself, one administrative official, one city commissioner, and six representative citizens, all serving without pay but authorized to employ the necessary technical assistance. A master plan is to be prepared, to which, after public hearing and final adoption, new construction must adhere. The city commission retains the power to override actions of the planning commission. It is intended that the effects of bad planning resulting from rapid growth and land speculation will be cured so far as possible.

Wisconsin Encourages Government Apprentices

Madison, Wisconsin, is the first city to hire apprentices under the statewide plan of training for government careers inaugurated a year ago, reports the Civil Service Assembly of the United States and Canada. The city will place a University of Wisconsin graduate in sociology as an apprentice case worker in its welfare department and will accept a second apprentice shortly. Milwaukee and Wauwatosa are making similar arrangements. The state has already employed thirty-two students since the plan was adopted. Under present arrangements, the university grants the student a loan which he repays from his year's salary.

United States Mayors to Meet

The annual meeting of the United States Conference of Mayors will be held in New York City on May 15th to 17th at the Waldorf-Astoria Hotel; and the World's Fair has announced that Tuesday, May 16th, has been officially designated United States Conference of Mayors' Day. The meetings will provide important discussions of pressing municipal problems and interchange of information and experience.

Tennessee Provides for County Consolidation

North Dakota and Kansas Seek Manager Legislation

California Counties Propose Changes

By PAUL W. WAGER

The 71st General Assembly of Tennessee passed into history March 10th after having enacted a considerable amount of important legislation affecting counties.

The most significant of such legislation consisted of certain county consolidation enabling acts. Three rather novel laws were put through with scarcely a dissenting vote, and with the hearty support of Governor Cooper.

Under this legislation machinery for consolidation originates in the county desiring to be absorbed, with a petition of 25 per cent of the voters in the preceding gubernatorial election. The petition is filed with an ex officio state consolidation committee composed of the Governor, Attorney-General, the executive director and secretary of the State Planning Commission, and the commissioners of education, taxation, highways, and conservation. The state committee would then appoint a county consolidation committee, to consist of the county judge or chairman and county trustee of the petitioning county, the county judges of the adjoining counties, and five signers of the petition. The state and county committees join in holding hearings at which members of the governing bodies of the counties concerned are invited to attend. Within ninety days of the receipt of the petition, the joint committee is required to report and publish its findings, and if it is found feasible the state committee recommends the consolidation, fixing the new boundary lines. The election commission of the petitioning county must then call an election within ninety days of the publication of the state committee's report. If two-thirds of the qualified voters of the petitioning county favor the proposal, the county is thereby abolished and its records. papers, and other properties transferred.

The effective date of any such consolidation shall be September 1, 1942, and each four years thereafter. Thus time is afforded for the expiration of officers' terms, and vexatious lawsuits are avoided. County officials are required to serve at the same rate of pay during their last years in office as they received during the year just before the petition was filed. This provision was inserted to block salary increases immediately before consolidation.

An accompanying act authorizes the state to issue not in excess of $1,000,000 in bonds to aid counties in consolidation. Grants of $50,000 are made to both the consolidating and the absorbing counties to pay the expenses incident to merging. As now provided it will be possible for counties to pool their debts and taxes. A further state grant will provide an amount equal to the present eight cents on $100 of taxable property now returned for schools, which will be remitted to the absorbing county or counties on a pro rata basis for five years from the effective date of consolidation.

The state consolidation committee may, in addition to hearing petitions for consolidation, prevent haphazard mergers, protect the interests of the absorbing counties, make available the technical advice of the various state agencies to perfect consolidation, and act as a mediation board.

Except for the difficulty in getting counties to petition for political extinction and the remote possibility of gaining the necessary two-thirds majority in favor of the proposal, there is the further flaw that no referenda are required on the part of the absorbing counties. With the experience of Hamilton County in view, there are few wealthy counties in the state now anxious to adopt one or more impecunious neighbors, even though the state has provided a rather generous measure of relief.

At all events, this method of purchasing consolidation should go much farther than polite tut-tutting and academic exordiums have accomplished in this state or elsewhere in the union.

Other Tennessee Legislation for Counties

One of the legislature's important acts repealed the law under which the former Governor had attempted to get control of the election machinery. This included the constitutionally defunct county unit primary law—an act which permitted the Governor's agents to purge primary registration lists—and an act which had created a so-called crime commission to investigate voting practices in Shelby County. Also repealed was a statute of 1919, originally created to quell industrial strife, used by Governor Browning to dispatch special officers to Memphis during the primary "to keep the peace." Finally the state election board of six members was replaced by a three-man board. This board will choose the members of the county election boards.

Another act tightened the regulations in respect to local health personnel. Federal grants to Tennessee for the public health program last year amounted to $288,391, and these grants are conditioned upon certified personnel being guaranteed the local units.

Despite agitation ever since 1911 to secure a more effective government for Hamilton County (Chattanooga), the defeat of the effort in 1937 to get legislative authorization to vote on the adoption of the council-manager plan discouraged further effort at present in this direction.

Frank W. Prescott

University of Chattanooga

North Dakota Seeks to Modernize County Government

At the next general election the voters of North Dakota will be called upon to ratify a constitutional amendment authorizing optional forms of county government. The amendment would give the legislative assembly authority to provide by law for forms of county government additional to those now provided, at least one of which would be the county manager form. No such optional form of government may become operative in a county until submitted to the electors thereof at a general or special election and approved by a majority of those voting. The law must provide for submitting the question either by a vote of not less than two-thirds of the county legislative body or upon petition of at least 15 per cent of the voters. Any optional form of county government provided by the legislature must specify the number, functions, and manner of selection of county officers.

Another section of the amendment authorizes the legislative assembly to provide by general law for the consolidation of counties and for their dissolution, provided no counties are consolidated without a 55 per cent vote of those voting on the question in each county affected. Neither may a county be dissolved without a similar vote of the electors of such county voting on the question.

No Action on Manager Plan Proposal for Kansas Counties

The Kansas legislature has adjourned without taking action on a bill before it to add the manager plan of county government as an alternative to the present commission form. The bill if enacted would have permitted any county to petition for an election on the manager plan. Under the proposed plan three commissioners would be elected as at present, but they would appoint a manager or executive to carry out their orders. The manager would appoint and fix the salaries of the county attorney, county treasurer, county clerk, register of deeds, sheriff, county coroner, county surveyor, welfare director, and other employees subject to the approval of the commissioners. However, neither the number of appointees nor their salaries could exceed the provisions of the present law in that respect. No person could hold more than one office. The commission would determine policies and enter into major contracts.

County Questions Rife in California

Recent reports from California would indicate that the question of county government is much to the fore. Proposals for the transfer of functions, secession, and city-county consolidation come from numerous localities.

The business men and city officials of El Centro, California, have recommended the use of the Imperial County office of assessor-collector to assess and collect city taxes. This is in line with a development which is taking place in other cities of southern California. It not only avoids a duplication of functions but it simplifies the collecting procedure. It does away with the necessity of two tax bills, which are usually based on different assessments.

Amendments have been proposed to the San Mateo County charter which would permit the county to take over many of the functions of the cities within its borders. Upon the initiative or with the approval of the cities affected the county might establish and maintain such public services as police and fire protection on a county-wide basis. Already county absorption of municipal functions is under way, seven or eight cities having agreed to an extension of the county health service within their boundaries.

A bill to set up the legislative machinery under which Los Angeles may, if she wishes, have a combined city-county government, was recently introduced into the California Assembly, following its unanimous passage by the State Senate. The bill provides for a referendum within the county on the matter.

Numerous small towns in the valley of West San Fernando have threatened to "secede" from the city of Los Angeles unless they get "better police protection, flood control work, adequate street maintenance," and other facilities. The ultimatum was made at a meeting of the Redesa Chamber of Commerce.

On March 28th San Diego voted "no"—17,995 to 5,690—on the question of secession from the rest of San Diego County and setting up its own city and county government. The San Diego County grand jury had previously issued an official statement strongly condemning the proposal. Much opposition has also been expressed in other sections of the county.

There is a movement on foot for annexation of North Richmond to the city of Richmond, both in Contra Costa County.

At the annual meeting of supervisors of the fifty-eight counties in California, those in attendance, while expressing disapproval of the idea, admitted that the present trend is toward the "eventual elimination of county government as such." C. E. Steinegul of San Joaquin County, retiring president of the association, predicted that the ultimate result would be repeal of constitutional provisions for county government—unless the trend changes toward home rule. Mr. Steinegul added that in the long run he felt that state absorption of county functions would cost more.

Plan for Metropolitan Government in Pittsburgh Area Revived

Efforts of a group of industrial, civic, and labor leaders to revive the plan for a metropolitan charter and government for Allegheny County has the support of Mayor C. D. Scully of Pittsburgh. The proposal, when submitted to the people in 1929, was defeated because a two-thirds favorable vote was required. The probable procedure this time will be to establish the charter plan by a county-wide election and provide for secondary elections whereby municipal divisions of the county may decide whether they want to come within the metropolitan government.

Manager Proposed for Mobile City and County

According to the *Mobile Press,* Representative Joseph N. Langan proposes to introduce into the legislature in July bills which will abolish the present commission form of government for both Mobile City and County and substitute the manager plan for each. The *Press* makes the suggestion, however, that there is no need for two separate governments. "Why not," it says editorially, "a joint city-county manager form with a consolidation of the two governments?"

A New Effort to Reduce County Offices in New York City

At the request of Mayor La Guardia, Senator Desmond has introduced bills in the New York legislature to give the New York City Board of Estimate and Apportionment power to fix salaries and to create and abolish positions of all county and court employees in New York City. Subject to the civil service law, the bills would give the board power to create, classify, modify, or abolish positions in the offices of the county clerks, district attorneys, sheriffs, registrars, commissioners of record, commissioners of jurors, and public administrators. It would also affect all employees, except judges, in the various courts in the five counties embracing Greater New York. At present all of these positions, many of which are entirely useless, carry regular salary increments which are mandatory. Mayor La Guardia has endeavored to escape these arbitrary salary expenses by appealing to the courts. But his efforts have been in vain. Unless the city authorities provide the money, the courts compel them to do so.

Bay State Gerrymandering

A bill[1] before the Massachusetts legislature, with Governor Saltonstall's signature assured, should correct a curious distortion of county government that has persisted for years because of its political or partisan origin and its long continued partisan implications.

Revere and Winthrop are in Suffolk County for most purposes, voting in most cases for Suffolk County officers. But they are in Middlesex County when county commissioners and assistant county commissioners are elected. The motive underlying this fantastic arrangement, in the first place, was probably to strengthen Republican control of the Middlesex County government or to weaken Democratic control of Suffolk County. Either hypothesis is tenable. In recent years, however, it has been possible to elect a Democrat to the Middlesex Board of County Commissioners, and to check that tendency the Republicans in the legislature have decided to put Revere and Winthrop back in Suffolk County for all purposes whatsoever. While Winthrop usually goes rather lightly Republican, Revere goes heavily Democratic, so that the two places together now help the Democrats in Middlesex more than the Republicans.

Whatever the motive, it is an excellent idea to eliminate the Revere-Winthrop anomaly of a split county allegiance or affiliation. Governor Hurley vetoed the bill when it was passed in his term, but Governor Saltonstall is politically in a better position to see the merit of it. Under the new setup provided by the bill, the city council of Revere and the selectmen of Winthrop will absorb the duties of county commissioners in their respective communities, just as the city council of Boston and the selectmen of the town of Nantucket act as county commissioners of Suffolk County and Nantucket County, respectively. This arrangement is a variation from the setup generally prevailing in county government in Massachusetts.

Springfield Republican

Planning and Zoning in Tennessee

Zoning in unincorporated areas of Hamilton County (Chattanooga) and Davidson County (Nashville) is now authorized by special acts. Because the general county zoning law of 1935 is restrictive and ineffective, zoning in these two counties has so far been limited to incorporated municipalities. Shelby County (Memphis) and five counties in northeast Tennessee have already been extended zoning powers by special legislation. The Hamilton and Davidson county acts provide that the zoning plan be prepared by the regional planning commission having jurisdiction in each county. Immediate opportunities to utilize the new county zoning power for land use adjustment are described in *A Study of Possibilities of Rural Zoning as an Instrument for Improving Land Use in Hamilton County, Tennessee,* released by the Bureau of Agricultural Economics of the United States Department of Agriculture.

A general law passed by the 1939 session of the General Assembly and entitled the community planning act permits unincorporated communities to prepare and adopt a master plan. When petitioned by one hundred freeholders, the State Planning Commission may create and define the area of a planning region for the unincorporated community. The region cannot be over ten square miles in area or contain less than five hundred inhabitants. A "community planning commission," appointed by the State Planning Commission, will enjoy the same extensive powers over planning and subdivision control as are granted to municipal planning commissions by legislation of 1935. The quarterly county court is designated as the agency to enforce and apply the plans and zoning restrictions prepared by the community planning commission. Although this law falls far short of filling the need for an effective general county zoning law, it nevertheless opens the way for planning and zoning for rural and other unincorporated areas for which no special county zoning act has been passed.

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[1] This bill has now passed the legislature and received the Governor's signature.

Lyndon E. Abbott
Tennessee Valley Authority

Comptroller Proposed for Erie County, New York

Hesitating to take steps which would provide the county with a modernized government, the Board of Supervisors of Erie County, New York, are proposing to do no more than patch up the accounting system. According to the *Bulletin* of the Buffalo Municipal Research Bureau, the proposal is that the board appoint a comptroller who would be the chief fiscal officer of the county, in charge of all its financial affairs and of its books of account. He would prepare a budget and when adopted by the board would supervise its observance by the departments, award contracts, designate depositories, supervise insurance, and perform certain other duties now performed by the treasurer and the auditor. Both of these other officers, however, would be retained. The treasurer would be responsible for the collection of taxes and the custody of county funds. The auditor would give up his present bookkeeping duties and retain only his auditing duties. While the proposal involves another office and added expense, a competent comptroller backed up by the board should prove useful. What is really needed, however, is a complete reorganization with a chief executive having some authority.

Indiana Would Restrict Townships

The lower house of the Indiana legislature has passed and sent to the Senate a bill to prohibit the establishment of new townships having an area of less than twenty-four square miles or a total taxable property valuation of less than $200,000. The bill was drafted as an outgrowth of disputes among residents of townships in Carroll, White, and Morgan Counties. Most of these disputes involved school fights.

Tax Collections Show Slight Slump in 1938

San Francisco and Topeka Report on Relief

By WADE S. SMITH

Although the average city collected in 1938 a slightly higher proportion of its current taxes than it had in 1937, the collection of delinquent taxes fell sufficiently to bring total collections below the year's levy. In the three preceding years total current and delinquent tax collections had exceeded the respective levies. This is shown in the study of tax delinquency prepared annually by Frederick L. Bird, director of municipal research of Dun and Bradstreet, Inc., and just published.[1]

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[1] *Trend of Tax Delinquency, 1930-1938, Cities of Over 50,000 Population.* By Frederick L. Bird, Municipal Service Department, Dun & Bradstreet, Inc., New York, 1939. Tables reproduced by permission.

The study is based on the tax collection records of 190 cities of over 50,000 population, of which 150 report data on current tax delinquency for 1930-38 and 100 data on total tax collections for 1935-38.

Median year-end current tax delinquency for the 150 cities stood at 10.2 per cent in 1930, rose to a peak of 26.4 per cent in 1933, and has decreased annually since then, according to the study. By 1937 it had reached 11.3 per cent, and this figure was but slightly improved in 1938, the median for last year standing at 10.7 per cent. Naturally, the range in collections among individual cities has been great, a few cities showing current delinquencies at the peak as high as 60 per cent, while at the other end of the scale were a number whose peak delinquency in 1933 was less than the median in 1930. Dr. Bird's compilation of the records of the twenty cities showing greatest stability of current collections, the median, and the twenty cities showing least stability is as follows:

MEDIAN PERCENTAGES OF YEAR-END TAX DELINQUENCY

Year	*20 Most Stable*	*150 Cities*	*20 Least Stable*
1930	4.05	10.15	11.85
1931	5.55	14.60	18.55
1932	7.90	19.95	27.20
1933	10.15	26.35	39.05
1934	8.60	23.05	34.55
1935	7.55	18.00	28.55
1936	6.15	13.90	21.15
1937	5.35	11.30	14.00
1938	5.10	10.70	13.10

The twenty cities with the most stable current collections include Berkeley, Fresno, Los Angeles, Oakland, San Francisco, and San Jose, California; Denver, Colorado; Hartford, Connecticut; Atlanta, Augusta, and Savannah, Georgia; Louisville, Kentucky; Peoria, Illinois; Manchester, New Hampshire; Albany, Binghamton, Niagara Falls, and Syracuse, New York; Providence, Rhode Island; and Dallas, Texas. The twenty with least stable records include Tampa, Florida; Detroit, Flint, Grand Rapids, Jackson, Pontiac, and Saginaw, Michigan; Atlantic City and Hoboken, New Jersey; Asheville, North Carolina; Canton, Dayton, and Youngstown, Ohio; Altoona, Erie, Johnstown, McKeesport, and Reading, Pennsylvania; and Beaumont and El Paso, Texas.

Noting that differences in the economic structure and resistance to depression influences play a large part in the showing, Dr. Bird writes regarding the cities showing greatest stability that "also of prime significance is the fact that most of the group follow efficient, rigid methods of tax collection," while in the case of the twentv cities showing least stability "study of their tax collection procedure suggests that in some instances excessive delinquency was partially attributable to a lack of energetic and efficient collection methods."

Cities with notably low tax delinquency in 1938 were led by Fresno, California, with 1.3 per cent, followed by San Francisco and San Jose, each with 1.5 per cent and Oakland and Sacramento, California, and Covington, Kentucky, with less than 3 per cent. Honors thus go to northern California, where, as a matter of fact, the highest delinquency among the six cities was 2.7 per cent. Of the 150 cities, 93 showed a better percentage of current collections in 1938 than they did in 1937, four reflected no change, and 53 failed to do as well as in the previous year. The change in percentage for 70 cities, however, was slight, being less than one point.

Despite the improving trend of current collections, collections against the reservoir of back taxes which was swelling total collections abnormally during the several preceding years are drying up, the study shows. Whereas in 1937 the median collection of 100 cities, of total current and delinquent taxes, was 102.8 per cent of the year's levy, total collections fell to 99.8 per cent for 1938. The summary of total collections presents some interesting contrasts:

MEDIAN PERCENTAGES OF TOTAL TAX COLLECTIONS

Year	Median 100 Cities	Range Low	Range High	Above 105%	Below 95%
1935	100.9	74.6	122.4	29	12
1936	102.5	82.1	131.5	34	11
1937	102.8	77.0	141.7	34	8
1938	99.8	80.3	121.9	19	12

Commenting on the fact that collections for most of the cities have exceeded levies in the last few years, Dr. Bird writes: "What became of the surplus taxes collected by a majority of cities in 1935-37, and still by nearly half of them in 1938, can be determined only by an analysis of their operating records and balance sheets for the period. While such analyses have been made for substantially all of the cities under consideration the results are too extraordinarily varied to present in any detail here. A large number of cities took advantage of the opportunity to retire floating debts and place their current accounts in sound condition. A few used some of the income as an alternative to borrowing for capital or welfare purposes. Much depended, of course, on whether back taxes were unencumbered or were pledged for temporary loans or for funding or refunding bonds. Some cities saw the situation merely as a means of enjoying subnormal tax levies for a few years, while a minority with conspicuously shortsighted management ended the period with larger deficits than those with which they began it. These last two groups are destined to make the headlines in 1939 in ways uncomplimentary to city government."

Two Cities Report Relief Financing

Despite the fact that the financing of relief has constituted a major problem for municipal governments in recent years, an amazingly small amount of data on the apportionment of costs in individual cities has been prepared by the cities themselves. This is particularly true with respect to so-called work relief, where outlays for materials, rights of way, etc., are financed by the city and labor is financed by the federal government through WPA. The average municipal report or auditor's report fails completely to show data in such form that relief and work relief financing can be traced, while the few that do so present the data in such form that rearrangement is necessary to secure even an incomplete picture. Hence considerable interest should be aroused by two recent reports in which the subject of responsibility for relief in recent years is treated in detail.

The most complete data on the entire welfare program is that contained in the annual report of the controller of the city and county of San Francisco, Harold J. Boyd, which for 1937-38 includes two tables showing the federal, state, and local outlays for each of the last seven fiscal years for social security and work relief. More colorful is a report published late in 1938 by the city of Topeka, Kansas, under the title, *Topeka Reviews its Public Works,* in which details on the projects and means of financing are provided for the city's PWA and WPA program from November 17, 1933, to September 30, 1938. The latter contains "before and after" pictures of projects, discusses their place in the city's long range improvement program, and provides details on the costs and means of financing each individual project. It does not, however, include any data on emergency relief expenditures, which are largely a county responsibility in Kansas.

Since the present recession makes the trend of relief costs and means of financing of especial interest at this time, and since there is an admitted paucity of information on the experience of individual cities, data of the two studies is summarized below. No effort is made to break down the amounts received from federal and state funds here, although in each instance this can be done from the information presented in the reports under consideration.

WELFARE EXPENDITURES IN SAN FRANCISCO

	Social Security		*Emergency Relief*	
	Total	*City's Share*	*Total*	*City-Current*
1931-32	$1,238,797	$ 793,241	$3,471,034	$ 971,034
1932-33	1,258,447	781,403	6,921,947	1,817,975
1933-34	1,241,014	744,195	6,236,158	730
1934-35	1,309,713	767,718	2,959,585	1,727,210
1935-36	1,713,723	884,094	1,196,334	983,013
1936-37	2,839,055	1,020,325	1,262,385	1,262,385
1937-38	3,989,274	1,386,215	1,614,926	1,614,926

In the table above, social security includes old-age pensions, aid to dependent minors, widows' pensions, and blind aid, while emergency relief includes the care of the indigent sick, dependent poor, and the SRA and WPA. The city's share of the social security costs were paid entirely from current funds. Of the $23,663,370 total emergency relief outlay shown, $8,377,282 was paid from current city funds as indicated. Another $9,000,000 was secured by sale of $6,500,000 relief bonds and $2,500,000 bonds for public works projects, while $1,516,056 was borrowed from the state and will be repaid from the city's share of certain state grants. The remaining $4,267,834, roughly one-sixth of the total, represents grants from the federal government, the only outside aid that San Francisco received for the purposes covered.

The Topeka study presents data on the cost of each individual work relief project sponsored by the city, showing the amount contributed to each by the city and by outside sources. The summary of the outlays is sufficient for illustrative purposes here, and shows that the city's contributions amounted to but 25.4 per cent of the total, and of this city share slightly less than half came from current funds. As noted above, the study covers the period from November 17, 1933, to September 30, 1938. It does not segregate expenditures and financing by years, however.

Of the $3,964,994 expended, $1,444,578 was spent on Civil Works Administration, Kansas Emergency Relief Committee, and WPA projects; $736,338 was spent on Public Works Administration projects; and $1,784,078 was spent on projects of mixed sponsorship which included some state and federal highway allotments. It is especially

WORK RELIEF PROJECTS SPONSORED BY TOPEKA, KANSAS

Source of Funds		
Proceeds of city bonds	$513,194	
Proceeds special assessment bonds	80,400	
From city water department	40,261	
From other city funds	373,787	
Total city contributions		$1,006,653
From other governmental agencies		2,958,341
Total funds—all sources		$3,964,994
Expenditures by Object		
Personal services	$1,231,685	
Contractual services	2,272,561	
Materials and supplies	211,410	
Land, equipment and other outlays	182,465	
Miscellaneous and sundry	66,873	
Total expenditures		$3,964,994

noteworthy that personal and contractual services—labor in other words—represented 88.4 per cent of the total expenditures.

Low Tax Levies Precipitate Philadelphia Crisis

Philadelphia's fiscal operations since 1930 have been unique. Contrary to the run of operations of numerous municipalities during the depression period, Philadelphia's position was maintained on a relatively stable basis, whereas in the last three or four years, when municipalities generally were able to meet expenses from revenues, this city's operating account showed a distinctly adverse trend.

By the close of 1930 Philadelphia had an accumulated cash shortage of $6,500,000, and at the end of 1935 the shortage was $8,500,000. A series of unbalanced budgets since then have resulted in an unwieldy deficit of $28,000,000 at the close of 1938. By including delinquent amounts due the sinking fund and unfunded mandamuses, the deficit is approximately $40,000,000.

Several factors contributed to recent operating deficits, including overestimating delinquent tax receipts, inserting fictitious sources of miscellaneous revenues in the budget, and failure to live within budget appropriations known to be understated at the time of their adoption. But one fundamental factor stands out. Philadelphia endeavored to operate on a tax levy that was kept too low for too long a period. The city's property tax rate was reduced from $1.95 per $100 in 1929 to $1.825 in 1931, to $1.75 in 1934, and to $1.70 in 1936, at which level it remained in following years. Property valuations declined from a peak of $3,470,000,000 to $2,583,000,000 in 1938. The combination of lowered rates and valuations resulted in a gradual reduction in the tax levy, which in each of the last two years was 30 per cent below that of 1931. Recent levies fell short of adequately reflecting the tax needs of the city, particularly inasmuch as fixed costs, which comprise an above-average portion of total costs, and operating expenses have both increased.

The maintenance of the reduced tax rate is apparently a matter of policy rather than a response to an abnormally high tax burden. The Bureau of the Census showed in 1936 the over-all per capita tax levy for Philadelphia was slightly below the median for all cities of over 500,000 population and 43 per cent below the highest.

Philadelphia's tax rate remains at $1.70 for the current year through failure of the council to officially adopt a rate by December 15, 1938. Revenues provided thereby and other sources of income fail to meet current expenses by about $10,000,000 and provide nothing for payment of prior deficiencies, which, according to the intent of the charter, are supposed to be liquidated in the current year. In order to formulate a financial program the council is seeking new sources of income. Proposals have included an increase in water rates, an income tax, a continuation of the 1938 sales tax, and the assignment of a $4,200,000 annual rental from the city-owned gas plant under lease to a private company for payment of a $50,000,000 advance. The latter proposal, now being seriously promoted, offers the city a way out of its present financial difficulties. However, the problem of acquiring revenues will continue to confront the city in future years and will be made more difficult by the dedication of gas income heretofore available for general operating purposes.

Charles Faber

New York City

P. R. Decisions Approaching

Philadelphia, Providence, Central Falls Await Legislative Action

Cincinnati to Hold Referendum

By GEORGE H. HALLETT, JR.

With the city government badly floundering and the citizenry thoroughly aroused by threatened new taxes and a partial breakdown of services, the P.R.-city manager charter proposed by the Philadelphia City Charter Commission is being hailed throughout the nation's third city as the brightest hope of escape. In a survey conducted by the *Evening Bulletin* under the supervision of Dr. George H. Gallup of the Institute of Public Opinion and made public on March 16th, it was found that 76 per cent of those who had formed an opinion favored the charter proposal and 71 per cent of those questioned had formed an opinion. The favorable majority held surprisingly constant in all groups of voters. Better than two-to-one margins were registered in all six of the geographical areas into which the city was divided, in the upper, middle, and lower income brackets, and among the Roosevelt, Landon, and other voters of 1936.

The Senate and House committees before which the Woodward-Shapiro bill to submit the charter to the Philadelphia electorate at a special election this spring is being considered, held two public hearings on it in Philadelphia. A few opponents of some prominence appeared, but the civic, business, labor, and women's organizations of the city urged the passage of the bill with a preponderance approaching unanimity.

Subsequently the large Democratic minority in the legislature announced that it would give the bill solid support. Since popular support for the charter is very evenly divided between the two parties and one of the bill's sponsors is a Republican, the Charter Committee leading the campaign is hoping for at least sufficient Republican support to secure the bill's passage.

Central Falls Joins Providence in P. R.—Manager Request

The Rhode Island legislature now has before it not only the bill permitting Providence to vote on the adoption of the city manager plan with proportional representation, referred to in this department in February, but a similar bill for Central Falls, an industrial city of about 25,000 population. The bill is sponsored by a Central Falls League, recently incorporated to work for more efficient and less "political" government. It was drafted by R. de B. La Brosse along the general lines of the National Municipal League's model city charter.

The bill provides that a special election shall be called on the new charter provided in it if requested by a petition signed by 10 per cent of the number who voted in the city at the last election for mayor. If the charter is adopted the council is to consist of five members elected on a nonpartisan ballot by P.R. at large for a four-year term. The council is to choose the city manager and the mayor. In case P.R. should be held unconstitutional in Rhode Island, the charter provides that the ward system shall continue to be used, but only "pending amendment of the constitution" to make P.R. legal.

The *Providence Journal* has been aiding the Charter League's P.R.-manager charter for Providence and recently ran a series of ten front-page articles on its merits by George E. Pelletier, who had made a study of significant experiences in city government in various parts of the country. One of the articles pointed out that 40 per cent of those who voted in the last Providence election are without representation on the present common council.

On March 6th the common council, after an hour's debate, adopted a resolution opposing the P.R.-manager charter by twenty-two votes to sixteen, but the Republican majority voted fifteen to six against the resolution.

An interesting by-product of the P.R. discussion for Providence was a resolution introduced in the legislature on February 21st by Senator Luigi Maiello, Providence Democrat, calling for a referendum on a constitutional convention to apply P.R. to the State Senate. The resolution alleges that "under the system of proportional representation now being advocated for the city of Providence, if applied to the State Senate, the make-up of the State Senate, as result of the 1936 vote, would have included twenty-three Democrats instead of fifteen Democrats, and nineteen Republicans instead of twenty-seven Republicans; and . . . under the same principle of proportional representation, the Senate, as result of the 1938 vote, would have included twenty-four Republicans instead of thirty-three Republicans, and nineteen Democrats instead of ten Democrats."

The Fight Is On in Cincinnati

After discarding two sets of petitions because of errors in their form, the Cincinnati Republican organization has finally submitted petitions with some 20,000 names requesting a special election on a charter amendment to abolish P.R. and substitute plurality election at large on a nonpartisan rotating ballot without primaries and retaining the central count. The council may have the petitions checked, but if it accepts them as valid must order an election to be held in not less than sixty nor more than one hundred twenty days.

The formerly all-powerful local Republican organization, which has never succeeded in polling a majority of the council votes or electing a majority of the councilmen since P.R. was first used in 1925 but which swept the city at the plurality elections last fall, hopes to pass the amendment on the crest of its present popularity and to elect the entire council in a plurality election next fall.

The Cincinnati City Charter Committee and others are organizing an active defense of P.R. and a recent poll of women which the *Cincinnati Post* considered "representative of all groups in the city" showed a 63 per cent majority in favor of P.R. and against the amendment. "Hence it is no wonder," said the *Post* editorially, "that the Republican politicians are afraid to trust the issue to a general election but demand the heavy advantage that a special election gives a political machine."

Wheeling's Second P. R. Election

Wheeling, West Virginia, is to hold its second P.R. election on May 25th. Under its "Cincinnati Plan" charter it differs from its model by choosing councilmen at special municipal elections in the spring every fourth year.

Wheeling's first city manager appointed by a P.R. council, Harry J. Humphrey, who ran the city administration without "politics" and without an annual deficit for the first time in years and helped keep the city's tax rate lowest among American and Canadian cities last year[1] but who was widely criticized on other grounds, has recently resigned. In his place the council chose the city engineer and former county administrator, Walter Smith, a graduate in engineering from Virginia Military Institute who enjoys an excellent reputation and is considered by many to be the best qualified administrator in Wheeling.

P. R.—Manager Repealer Defeated in Massachusetts

The attempt to repeal the new optional "Plan E," under which three Massachusetts cities narrowly missed adopting the city manager plan with proportional representation last fall, has been unsuccessful. After a public hearing the committee reported the repealer adversely and the Senate accepted the report on March 6th without debate, refusing by thirteen votes to ten to revive the bill when reconsideration was moved by the Democratic minority leader three days later. The House reversed the committee report when it first came up on March 13th during a blizzard which kept away many members, but on a roll call vote the next day defeated the bill by 114 votes to 91. The Massachusetts cities which are considering Plan E votes are thus free to proceed with their campaigns.

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[1] See "Comparative Tax Rates of 294 Cities, 1938," NATIONAL MUNICIPAL REVIEW, December, 1938.

Chancellor Bruening on P. R.

Heinrich Bruening, last Chancellor of the German Republic before Hitler, who is now on the faculty of the Department of Government at Harvard University, wrote the following letter on February 10, 1939, to Chandler W. Johnson, Cambridge, in response to a request for his comment on the argument that Germany's experience with P.R. should cause American cities to approach it with caution:

"In reply to your inquiry I wish to state that in my opinion the experience of the German Republic with proportional representation has no bearing upon an appraisal of that system of proportional representation made available in combination with the council-manager plan for the municipalities of the commonwealth of Massachusetts. In the first place, the single transferable vote as incorporated in the law of this commonwealth is in no way identical with the choice among different party lists under the constitution of the German Republic. The former emphasizes the desirable contact between the voter and the representative of his selection; the latter encourages the formation of minor parties. In the second place, the operation of proportional representation in national elections has effects different from those of proportional representation on a municipal level. The undesirable effects of the former German system of proportional representation did not present themselves in the sphere of municipal government."

TENNESSEE EXPERIMENTS

(Continued from Page 292)

practicable by citizens of Tennessee and that county residence be considered in order that an equitable distribution of employees can be had are not in harmony with the merit principle, and should be eliminated.

(3) More satisfactory classification and compensation plans should be worked out and an objective promotional rating scheme should be promulgated.

(4) Lack of success of the merit system in Tennessee was the result not so much of the type of agency established as it was lack of support on the part of the people and administrators. It is believed that this support would have been lacking even if the commission type had been used in the 1937 act instead of the single administrator type. Too many people in the state are not yet convinced that they want a system of personnel administration based on merit. The successful administration of the merit system in government, like any other important development, depends upon education and understanding. In order to foster this education and understanding among the people and administrative officers it might be well to set up an association of interested and influential citizens representing all sections of the state who will sponsor the cause of merit principles in personnel administration.

Recent Books Reviewed

EDITED BY ELSIE S. PARKER

Revenue Bonds. By John F. Fowler, Jr. New York City, Harper & Brothers, 1938. 249 pp. $3.00.

Discussion of the problems of public indebtedness usually is found relegated to a minor position in textbooks on public finance, the major portion being devoted to problems of taxation. There has been a dearth of books on the subject, although some significant contributions have been made in recent years, such as those of Messrs. Studenski and Hillhouse. Mr. Fowler's book now constitutes an invaluable addition in this limited field.

After several chapters devoted to definition, history, and the description of some typical revenue bond issues, Mr. Fowler analyzes the problem from several aspects. Desirability from the investor's point of view, remedies in the event of default, tax exemption, legality for investment purposes, and the marketing of the bonds constitute the major subjects of the study. There are two concluding chapters concerning the economic aspects of revenue bonds and some related developments at home and abroad. A list of five appendices provides very valuable statistical information regarding outstanding revenue bond issues.

The author shows a thorough knowledge of his subject and writes with enthusiasm. Without wishing to insist on pedantry, the reviewer believes the value of the book would have been enhanced by the addition of a few footnotes. At least when quoting court decisions or the statements of other writers, the sources of the material should have been designated.

Students, public administrators, and dealers and investors in public securities will benefit greatly from Mr. Fowler's study. It throws light on a method of financing public improvements that has become increasingly popular in the past several years and that shows every promise of continuing to grow with the expansion of the scope of governmental activities.

E. A. MAUCK

University of North Carolina

State Tax Yield Statistics: 1938. New York, Tax Policy League, 1939. 72 pp. mimeo. $1.50.

Survey of State Tax Problems: 1939. New York, Tax Policy League, 1939. 31 pp. mimeo. Fifty cents.

These two issues of *Tax Policy* (December-January and February, 1939), the monthly publication of the Tax Policy League, deal with two phases of what is essentially one subject—the first, with actual revenues received from various sources by the individual states in the fiscal year ending in 1938; and the second, with the problem presented by the failure of these revenues in certain instances to meet anticipated requirements in the next year or two.

The volume on state tax yield statistics is an enlarged and greatly improved successor to a similar study published by the Tax Policy League covering 1937. Data for all forty-eight states are included this year, certain of the revenue classifications have been changed to conform more with the realities of the situation than heretofore, and a table has been added showing for each state the percentage of each revenue to the total. A short discussion prefaces the tables, summarizing both the statistical results and the trends toward or away from regressive tax systems in individual states. The study shows that during the fiscal year covered state tax collections totaled nearly $3,200,000,000, with gasoline taxes accounting for 24.9 per cent of the total, gross receipts taxes 13.9 per cent, net income taxes 12.5 per cent, motor vehicle taxes 11.9 per cent, alcoholic beverage taxes 8.8 per cent, property taxes 6.8 per cent and the other sources scattered amounts ranging downward from 4.6 per cent in the case of inheritance taxes to .01 per cent for oleomargarine taxes.

The volume on state tax problems is a symposium of brief notes from state correspondents of the Tax Policy League, pertaining mainly to problems coming before state legislatures meeting this year. Many of the summaries are remarkably penetrating, most are fairly adequate, and a few fail to note pressing if not spectacular problems in several of the states. The emphasis of legislative activity shifts so rapidly that reproduction of any of the comments would be somewhat out of date by the time this reaches print, but the bulletin's readers have undoubtedly found the summary an informative survey in the main. There is evident in the various notes a tendency to "view with alarm" superficially regardless of the enormity of the problem under review, but perhaps the bulletin can be repeated next year with instructions to the contributors to hew a little closer to the line. The study is certainly worth publishing, and just as certainly can be substantially improved. W. S. S.

Public Welfare Administration. By Marietta Stevenson (for American Public Welfare Association). New York, The Macmillan Company, 1938. xi, 352 pp. $2.50.

The very fact that this book was written is significant. To tag the term "emergency" to anything is invariably a signal for the suspension of all rules, with no holds barred even in the clinches. Because Miss Stevenson's book constitutes an attempt to apply the principles of public administration to relief and social security functions, it may be said that the emergency period of relief is over. To all those who have been alarmed by the ostrich-like evasion of the truth of the permanency of relief, that is a good sign.

In a sense, there is nothing new here. There have long been good works on public administration in general, and its tenets are well established. This is just a demonstration of the applicability of those tenets to relief and public welfare work.

But besides that, a veritable mine of information is laid out in orderly fashion. All the factual details of just how relief work is now being done by the federal government, the states, and the localities, the kinds of organization used, the kinds of rules now being applied, all this is available in one place.

There are seven appendices too, which provide, respectively, "Per Capita Personal Income, By Geographic Divisions and States, 1929"; "State Public Welfare Surveys"; "State Welfare Agencies Classified by Form"; "Administration of Public Assistance Under the Social Security Act, January 1, 1938"—including statutory citations, record of federal approval of plans, and kind of administration; "State Agencies Administering Services in Coöperation with the United States Children's Bureau"; "County Public Welfare Agencies Analysis of New Statutory Provisions 1935-1938"; and a bibliography.

Anyone who has ever tried to find out

anything about the relief situation in this country—and had to do hours of half-hopeless research for the most minute details—will devoutly appreciate this sort of thing.

M. R.

Public Employment Service in the United States. By Raymond C. Atkinson, Louise C. Odencrantz, and Ben Deming. Chicago, Public Administration Service (for the Committee on Public Administration of the Social Science Research Council), 1938. xiv, 482 pp. $3.75.

Several other studies in social security administration have emerged from the program of the Committee on Public Administration of the Social Science Research Council and apparently at least one other is yet to come. All have borne the cachet of authority which one associates with that organization and with Public Administration Service, which is the publishing agency.

This volume is no exception to that rule. There is no need to mention the desirability of and need for a work on public employment service administration. Like the rest of the social security program, our public employment offices represent for the most part a flight into the governmental unknown. Therefore, whoever provides a chart to steer by is a public benefactor.

This is a relatively long book, but to the serious student of the problem all of it must be of interest. Not only are there tables which achieve much of their value because they are, for the first time, all to be found in the same place, but there is analysis of procedures and a decisive separation of the wheat from the chaff.

Naturally, the book thoroughly covers the roles of federal, state, and local governments in the public employment picture. It is interesting to note how few volumes which deal with governmental problems these days can avoid doing just that.

M. R.

One Year of Civil Service. By Melvin L. Jacobs and C. H. Smeltzer. Harrisburg, Commonwealth of Pennsylvania, Department of Labor and Industry, 1938. 97 pp.

The campaign to extend the merit system on the state and local government levels is being greatly stimulated by the operation of state programs in the selection of personnel on a merit basis for the administration of federally-aided social security and employment service activities. The successful use of these non-political recruitment techniques will provide a practical illustration of the value of a merit system in the many government units which still operate on a patronage basis.

This report indicates that the Pennsylvania Department of Labor and Industry, aided by experts in the field of personnel recruitment, has done its work thoroughly in its efforts to select a capable staff. While still adhering to some outworn civil service methods, such as giving equal credit for three years of graduate study leading to a Ph.D. and for one year of routine social work experience, the department did take advantage of some progressive ideas in personnel selection, such as limited use of oral tests, reliance on objective written tests, and related devices. The value of this report lies in the detail of its presentation of the successive steps involved in a recruitment program on a merit basis.

The Pennsylvania situation is another example of the growing movement, which has been successful in Ohio and Massachusetts, to prohibit the establishment of educational requirements for entrance into the public service. While theoretically it should be possible to construct tests which measure the same things as secondary and university education, yet, in the practical situation which most personnel agencies find themselves in, with little money for test experimentation and a large number of applicants, the prohibition on education requirements means an inevitable breakdown in personnel administration by the inability to have eligible lists available for certification.

MILTON MANDELL
Tennessee Valley Authority

Men Must Act. By Lewis Mumford. New York City, Harcourt, Brace and Company, 1939. 176 pp. $1.50.

Several lengthy treatises on foreign policy have made their appearance in recent months, but none has been able to state in a concise manner what Lewis Mumford has put between the covers of his latest volume. Mr. Mumford's work is rather unique in that its positive suggestions outweigh its criticisms and argumentation. Written in a style that is both readable and unusual, *Men Must Act* analyzes the present international situation with amazing clarity and then proceeds to recommend a policy that is worthy of consideration by our own country.

According to the author, neither isolation nor collective security is a workable policy. The former solution has been tried and found wanting. Mr. Mumford suggests that in America it has taken the form of furnishing munitions to Fascist Italy and Germany while neglecting the needs of Loyalist Spain. It is the refusal to make a commitment and the endeavor to enrich our own coffers by remaining aloof. But neither is collective security a way out, for this implies the adoption of the Fascists' own methodology including regimentation and dictatorial practices. There is also a suggestion that we would find it exceedingly difficult to discover a power trustworthy enough with whom to ally.

Mr. Mumford's solution is that of non-intercourse. And it is no half-way policy that he would adopt. It would incur the breaking off of all diplomatic relations with Fascist governments who have demonstrated that they do not—and do not intend to—keep their word. In this way, Mr. Mumford contends, our country would be declaring to the whole world that it disapproved both of the philosophy and of the methods of Fascism.

Our author feels that debates over the conflict of communism versus fascism only serve to obscure the real issue. Fascism and communism really have much in common. The real and profound contrast is that between fascism and democracy. Their philosophies are inherently opposed, as are their goals and their axiological standards. Although the vocabularies of both contain many words in common, their definitions are wholly variant and oftentimes actually antithetical.

Mumford's presentation is a definite contribution in the realm of recent political thought. Both his analysis and his solution are worthy of profound consideration and careful study. Although he is in no sense an alarmist, his comments are phrased to invite his readers to abandon their lethargy and consider their peril.

THOMAS FRANKLYN HUDSON
San Diego, California

Metropolis: A Study of Urban Communities. By Howard B. Woolston. New York City, D. Appleton-Century Co. 1938. 325 pp. $2.75.

Professor Woolston's book is designed primarily as a textbook for courses in urban sociology. The topics that are discussed include the factors determining the nature of cities, the history of cities, urban psychology, problems of housing, the conduct of business, government and politics, public services, social resources, and the future trends of cities. Approximately thirty-five tables are used to supplement the textual material. Although primary emphasis is placed on urban problems in the United States, European experience is frequently cited for purposes of comparison.

The book suffers under several handicaps. In the first place, the wide scope of the materials used prevents adequate treatment of most of the subjects discussed. The structure of the book appears to indicate that the author desired to give equal space to all phenomena observed irrespective of their relative importance. Consequently, it seems that frequently the obvious is labored while the important is ignored or dismissed in a single paragraph. For example, proportional representation is given no place in the discussion, and the problems involved in the matter of increasing influence over cities by the federal government are mentioned only incidentally. Surely New York City's experiments with the former and the far-reaching implications of the latter warrant their inclusion. In general, many urban problems are treated in a very superficial manner, while at some points there are included statements that appear to embody misleading assumptions.

Secondly it cannot be said that the book is well written. In several cases grammatical errors were noted by the reviewer. In other instances the diction is poor, the style awkward, and the meaning lost in confusion.

E. A. Mauck
University of North Carolina

Additional Reports Received

Trend of Tax Delinquency, 1930-1938. By Frederick L. Bird. New York City, Municipal Service Department of Dun & Bradstreet, Inc., 1939. 33 pp. $2.

For a review of this pamphlet see page 317 of this issue.

Administrative Reorganization of the State Government. By Jack E. Thomas. Berkeley, California, Bureau of Public Administration, University of California, 1939. 22 pp. mimeo.

Chicago Recreation Survey (Vol. III), Private Recreation. By Arthur J. Todd in collaboration with William F. Byron and Howard L. Vierow. Chicago, Chicago Recreation Commission, 1938. ix, 167 pp.

The Delaware River Basin Water Pollution. Philadelphia, The Interstate Commission on the Delaware River Basin, 1938. 19 pp.

Low Rent Housing. Report of the State Board of Housing to the Governor and Legislature of the State of New York. Albany, J. B. Lyon Company, 1939. 91 pp., charts and tables.

Public Health Organization. By Jack E. Thomas. Berkeley, California, Bureau of Public Administration, University of California, 1939. 39 pp. mimeo.

THE INVENTOR

(Continued from Page 270)

gaining with the others so that each will, in the end, get pretty much what he wants.

Forgetting for the moment the other serious flaws in the commission plan, which permit toleration of five little governments where there should be one, of five little political spoils machines based on the discredited patronage philosophy, or a "cat and dog fight" government divided by jealousies, the one which strikes home most forcefully is the wasteful log-rolling which we simply cannot afford to endure today.

Just as individuals and families, in times of financial stress, find it advisable to spend more carefully and constructively, so must local governments. It becomes a distinct honor for a city to operate on a rigid budget, to work toward a pay-as-you-go plan, and to provide a dollar's worth of service for each dollar of tax money spent.

Forty years ago Galveston's was a noble experiment, indeed. But now a better piece of municipal machinery has been developed—and proved in such cities of similar size as Kalamazoo—so Galveston may once again show its progressiveness by shaking off tradition and adopting a method to fit the problem.

LETTER TO THE EDITOR

(Continued from Page 304)

training in an examination for patrolman. It sharply defines the issue between the old Tammany crowd, which is represented by Prial, and this commission, which is attempting to raise the recruiting level of the public service.

Some of Mr. DeRoode's comments can be dismissed more lightly. To credit the state commission, for instance, with our work in reducing exempt positions is like crediting a minister with the selection of a bride. The action of the state commission in these cases is, of course, only confirmatory.

His statement that the present administration has imposed non-merit appointments on the relief bureau is utter nonsense. In the course of about two years, dealing with an operating system of the highest delicacy, this commission has reduced provisional appointments from about 12,000 to less than 4,000 and now has lists ready for hundreds of additional jobs. The false allegation that there has been undue delay is an obvious sham behind which Tammany politicians and some Tammany judges have hidden in their criticism of the work of this commission.

Naturally, there is no sinister tie between the professional politicians and the Appellate Division in these cases and I give the Appellate Division credit for good faith as Mr. DeRoode requests. It is a serious matter, however, that this court should refuse the same credit to a vigorous merit system administration which has reduced political jobs to the lowest point in the history of the city and which is steadily accomplishing improved technique and efficiency in administration.

Sincerely yours,

PAUL J. KERN, *President*

New York City Civil Service Commission

NATIONAL MUNICIPAL REVIEW

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National Municipal Review

Editorial Comment

Managing Rural Counties

IN AN article in this issue of the REVIEW, Howard M. Kline, of the University of Maryland, raises the question as to whether the county manager plan is feasible in small rural counties and brings evidence to bear from Maryland that it is not.

The question is not a new one Some years ago Kirk Porter, of the University of Iowa, and Wylie Kilpatrick, then research professor at the University of Virginia, among others, recognizing the increasing trend toward state control over county functions, posed the query as to what there was or would be left for the manager to manage. There are, of course, two obvious solutions to the problem of rural counties everywhere: (1) Expand the area of administration to cover an area with population and assessed valuation sufficient to justify the employment of competent public servants; (2) permit the state to take over functions heretofore deemed local in character.

Six counties now operate under the county manager form of government. They are Sacramento County, California; Monroe County, New York; Durham County, North Carolina; Albermarle, Arlington, and Henrico Counties, Virginia. Merely to list such counties reveals a significant fact—that each one of them includes within its jurisdiction an area which is either urban or suburban in character. Mr. Kline recognizes that in Maryland an opportunity for a manager exists in each of the suburban counties.

On the basis of such information, we might conclude that the county manager form must of necessity be limited to use in counties of this kind. At this point one is tempted to quote the French philosopher, that "all generalizations are false, including this one," for it is self-evident that in any human enterprise, of whatever magnitude, the factor of management is the one which represents the difference between success and failure, efficiency and inefficiency.

This is true of everything from a hot dog stand to General Motors. The only question to be answered is where such management shall lie; that is, whether greater effectiveness can be obtained through managing a county as a unit or through managing a particular function throughout the entire area of the state.

The answer will vary as between states. In a relatively small homogeneous state with a fine tradition of effective state government, such as North Carolina, the trend toward state conrol appears inevitable and may e well. In North Carolina it may ot be unreasonable to have the ntire rural area managed directly y the state government as the orest area in Maine is adminisered. In other states which come eadily to mind, however, such a olution, within the near future t least, is unthinkable, and in uch states it would seem intellient to enlarge the area of rural dministration to form an effecive unit of local self-government —what Richard S. Childs so ptly termed a genuine "rural unicipality."

Whichever direction the govrnment of rural areas may follow n a given state, there are probems of law and tradition that will have to be solved. The maze f local laws on the books of most tates will have to be shorn away and the existing tangle of overlapping governments eliminated. As a prelude to such development, the county must be no longer thought of as a comparable entity either as between states or within the borders of a given state. Henrico County in Virginia is much more comparable to Monroe County in New York than it is to its own rural neighbors. The classification of counties—indeed of all units of local government—in accordance with land use is an essential prerequisite to ultimate solution of these difficulties. To the citizen and taxpayer, however, in the final analysis the important thing is that *something must be done.* An inefficient and ineffective unit of local government cannot long remain the basis for the operation of democracy in a period such as the present.

A Reversal of Form

THERE are hundreds of cities but only a handful of counties in the United States which can qualify as being well governed. Obviously, most of these well managed cities are in badly managed counties. And very often the county political machines deliberately sabotage the well run cities within their boundaries.

Henrico County and the city of Richmond, Virginia, which it surrounds on the northern banks of the James River, seem to provide the exception.

Five years ago Henrico County adopted the manager form of government. Since then it has made an enviable record for intelligent, efficient, progressive administration, has put effective brakes on waste, and has generally given its taxpayers much more for their money than they had ever had in the past.

While these accomplishments were attracting nation-wide attention they were observed also in Richmond which, although virtually surrounded by Henrico County, is not legally a part of it. A movement for a similarly organized administration has been gradually taking form in the city, which is still among the little handful of municipalities with the all-but-forgotten two-house local legislature—a city council plus a board of aldermen.

Now a thoughtful citizen of Richmond comes forward with the unusual but logical suggestion that the county annex the city. There are many residents of the city, he says, who would like to be in the county and under its administration. He calls attention to the county's system of zones, sanitary districts, and scientifically worked out tax differentials based on comparative service.

The county's "outstanding tax dollar values in public service and management would be difficult to equal anywhere," he argues, "and the relatively small outstanding debt leaves a larger part of taxes for actual service and improvements." He cites other points of superiority such as schools and school buses (free in the county but charged extra in the city) as evidence that the county has developed a "get-what-you-pay-for system" which might advantageously be applied to the city.

It's a challenging suggestion. Cities which have solved basic problems and have built up fine traditions of good government might well annex their surrounding counties; and there is even greater reason why a well run county should take a less well qualified city under its wing. It's about time we drop silly habits and put city-county consolidation on a logical basis.

The Voters, Not the Plan, Failed

LAST month Trenton, New Jersey, voted to abandon the council-manager form of government which it had had for four years. Careless thinkers are beginning promptly to refer to the "failure of the manager plan in Trenton."

The simple truth is that the *plan* did not fail. In 1935 the outgoing commission handed the new government a bonded debt of $23,000,000 which had been increasing at the rate of $700,000 a year, with not even an attempt to reduce it. Four years of council-manager government reduced the debt by $2,200,000, in addition to obtaining lower rates of interest on the remaining debt.

Meanwhile the police department (in which there had been a bad scandal under the commission) was reorganized and modernized, and is considered the best the city has had, with statistical proof of this to be found in a considerable reduction of crime. A department of purchases and supplies, in place of the old individual departmental buying, resulted in striking economies and better methods. There were

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The Party Is the Crux

W. E. MOSHER, *Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University*

"Why does our common sense not impel us to so modify the character of party control that it will serve as an instrument of progress rather than an obstacle to it?"

IT HAS been predicted that, in evaluating the decade through which we are now passing, the historian of twenty-five years hence will characterize it as a decade of social revolution. The most striking feature of this revolution is unquestionably the progressive expansion of public activities on many fronts which heretofore have been held sacred to private enterprise or have been nobody's business. In many respects private business has been made subject to government supervision. The public has gone into the construction business on a large scale. Its forays into the utility field are too well known to require more than passing mention. Social welfare is a major governmental activity. Federal responsibility for millions of people in want, for those physically and mentally handicapped, for the preservation of the health of the underprivileged is now accepted as a matter of course.

In the space of less than a decade the universally accepted slogan that the best governed people is the least governed people has lost its potency. Despite these epoch-making expansions of governmental activity on every level, the driving and directing forces of government, the political parties, are still committed to the tender mercies of professional politicians. It is true that here and there the public servant type of politician has displaced his professional brother whose dominating motives have been and are personal gain and vanity.

It seems to be as little appreciated today as it was a decade ago that the substructure of the vast business of government is the organized political party. One may liken the public business to a pyramid, the base of which is the political party. The efficiency, the costs, and the quality of the public business are definitely determined by the leadership and character of the political parties in every jurisdiction.

In literally hundreds of municipalities and states the machinery of carrying on the day-by-day business of governmental units is, as it has been in the past, but an adjunct to the party in control. Thus we find examples of Republican administration as well as Democratic administration of public affairs. Impartial administration in the interest of all citizens concerned is something to be longed for but never realized in such communities. Whether Republican or Democratic, the management is likely to be made up of amateurs who would be lost without the traditional and outmoded practices which they have inherited. A premium is placed not on expertness but on local residence and the right party label.

Our citizenry which customarily leaves politics to the politicians is paying a staggering price for its apathy. Occasionally it grumbles at the high tax bills, but only rarely, and then spasmodically, does it bestir itself and make itself heard in the political arena. New York City goes into such a spasm about once every fifteen or twenty years. In other words, we have become politically-minded, but not party-minded.

CITIZEN RESPONSIBILITY

Democracies cannot be called going concerns in the long run until a great number of convinced *democrats* assume the responsibility of partisanship. How undemocratically our democratic machine is operated can be tested at the polls in most communities on any typical election day. The average voter finds himself confronted with a list of names of candidates whom he does not know, or if he does know them, he looks at them askance.

One is reminded of the saying of H. G. Wells to the effect that elections are no longer elections, they are rejections. If the average voter should aim to vote only for those whom he considers suitable representatives of his interests and point of view, his checks on the ballot would be as sparse as hens' teeth. Many a man would sympathize with the statement made by a loyal party man, a clergyman, who went to the leader of his community and said, "I have always been a good Republican, but I do hate to have to hold my nose when I go to the polls and cast my ballot for the names found on the Republican ticket."

It has often seemed to me as I go to the polls that my fellow citizens were to be compared to the members of a Greek chorus, whose cue brought them on the stage at the very end of the last act of the play when they were given the privilege of singing out yes or no. Like the Greek chorus, they had had nothing to do with the selection of the characters or with the progress of the action of the play. Like the Greek chorus they had to content themselves with only the most obvious and harmless comment.

It is more than passing strange that we who pride ourselves on our democracy and who are supporting probably the most expensive school system in the world, having as its primary purpose and aim the training of every youth for democratic citizenship, have become like puppets whose strings are pulled by self-seeking manipulators behind the screen.

This leads to a comment on the educational policies of the schools. It would be difficult to conceive of a civic education that is generally so far removed from the realities of public and particularly political life as that to which our youth is subjected. Although there are some exceptions to this generalization, in the majority of schools woe be unto the teacher who dares to handle vital and "hot" subjects. For example, the local boss of the dominant party is unquestionably the most important actor on the local scene. How many teachers in dealing with the subject of civics and government dare describe the activities, the motives, the rewards of the local boss?

THE SCHOOL'S RESPONSIBILITY

Every teacher and every student in the United States is living in the midst of a complicated governmental machine. The teacher has his laboratory immediately at hand, but how many of them use this laboratory? Indeed, how many of them have had the training which would enable them to use this laboratory effectively? Government, which ought to be the best taught and most exciting subject in any school, is generally the worst taught, and in more than one poll has been voted the most uninteresting. One of the series of publications of the New York State Regents' Inquiry reports upon the surprising ignorance of a broad sampling of students with respect even to the communities in which they live.

It would be interesting if a Gallup or Fortune poll were taken of the attitude of senior students whether in high school or college as to politics and political activity. I should be surprised if such a poll would not show that the great majority of young people in these classes vote politics a messy business, and indicate further that they have no intention of being contaminated by it. In view of the considerations above, this result is not at all surprising. Indeed, it may be said that our young people are positively conditioned to become poor *democrats* by the combined influence of the schools, the newspapers and magazines they read, and their home and other contacts.

Beyond this, in scores of communities exceptional young adults who, despite their schooling have gained some notion of the importance of party activity by way of an avocation, are subject to the severest sort of discipline. If they show any tendency toward independence, to say nothing of reform, in political matters, they are quickly brought into line. Business, professional, financial, and social pressures are constantly at work and operate ruthlessly to see that irregulars become regulars, or at least acquiescent.

As Lincoln Steffens found in his study of rotten cities, respectable business and professional men and community leaders were so in cahoots with the dominant political machine that they were ready to lay the heavy hand of their discipline upon would-be reformers or independents, however badly and expensively run the local government might be.

These same men will condemn Congress, their state legislatures, and even their local councils, while at the same time they lend their effective aid to hushing criticism and keeping recalcitrants in line in the home town.

If I may digress at this point, I would comment on the very limited amount of informed and continuous criticism of local and state public affairs in this country, particularly in localities dominated by a single party. Community councils are the exception rather than the rule. Only a relatively small number of municipal and state bureaus of research are in operation. Many places lack an opposition newspaper. Citizen pressure and reform groups operate effectively only in scattered localities.

VOTERS UNINFORMED

On the other hand, governmental authorities feel little or no responsibility to keep the citizenry informed of their stewardship. For example, most cities in New York State have not issued an annual report for years. How can Mr. John Citizen be expected to find his way in the growing forest of government trees? If he wanted to do anything about the waste and inefficiency which he sees or senses, he would not know how or where to begin. He and all of his kind are sorry partners in a coöperative enterprise, such as a democracy is said to be; they easily become fair prey for technocrats and "ham and eggers." An ignorant and apathetic citizenry within a democracy is not alone to be deplored, it is to be looked upon as a menace.

To return to my theme, there is a woeful lack of appreciation of the importance of feeding into the political parties locally wide-awake, critically-minded, intellectually alert, and socially-minded young people—because finally it is from the reservoir of local politicians that state and federal politicians are derived. The absence of such a recruiting policy has resulted in a dearth of promising candidates for important elective offices. It has also resulted in the ineffectiveness, some say bankruptcy, of Congress in these recent crucial years.

The difficulty with Congress, as I look at it, is that taken by and large it has lacked the intellectual calibre requisite for dealing with the staggering problems of national economy with which it has been confronted. In a lesser sphere the same thing is true of state legislatures. We are passing through a time when a premium is placed on creative thinking. We lack traditions and precedents for the handling of such momentous problems as society in this revolutionary day and age must master. But men of ideas, as was pointed out above, are so conditioned that they are not likely to have anything to do with party politics, and what is more, such men would find little welcome among party politicians if they had ambitions in this direction.

However much I am convinced that democracy is the only sort of government worth having and the only sort of government which in the long run will succeed, I believe that a realistic appraisal of the present status of democracy in this country cannot fail to depress one. The parties as at present constituted and conducted are, in my opinion, unequal to the task of keeping democracy afloat. The hope for its continuation rests squarely on the shoulders of youth—the generation in their twenties and the generation which will soon assume the voter's toga.

POLITICS AS AN AVOCATION

Our supreme task consists in stimulating the more intelligent members of these generations to become party politicians by avocation. Above all else they must realize that the primary elections where party representatives are selected are a dozen times more important than the regular elections. They must not alone vote at the primaries but also see to it that they have a chance to vote for their own kind. This may mean circulating petitions and impressing one's friends into this type of public service.

They must learn that in a democracy the parties are the thing. Policies are determined by legislators who are named by party leaders. The day-by-day administration of government is likewise strongly influenced, if not determined, by the attitude of party leaders toward the public business. Political apathy is our curse. It explains incompetency in high places, it is the cause of the spoils system and the resultant backwardness and inefficiency in the carrying on of the administration of government.

That my readers may not take me to task for seeing only the shadows in the picture, I gladly admit that there are bright spots here and there which give support to the optimist. As noted above, a scattering number of what I call citizen politicians are coming on the scene, men like Taft, T. V. Smith, Saltonstall, Vanderbilt. The re-election of La Guardia in New York City was a heartening event.

The tide of civil service reform is on the rise, although the recent setback in the state of Arkansas gives one pause. The recruitment of able young people on the basis of potential capacity and the adoption of a career service program in a number of progressive jurisdictions are promising signs, pointing to a higher level of administration. The city manager movement is holding its own and gaining fresh adherents.

The organizations of public officials with headquarters in Chicago are moving forward in the professionalization of the public service, setting up standards, formulating principles and applying research methods to the solution of administrative and procedural problems. Indeed, outstanding administrators have come to realize that research and investigation and long-range planning are important tools in the performance of their tasks.

Finally, citizen research and propaganda agencies are effectively operating in many communities and a few states. Among these the League of Women Voters is performing valiant service, particularly on the state and federal levels.

These are heartening signs. They give promise of a better day in this huge business of public management. They point the way to citizens who would make themselves count in their official business of citizenship. But overtopping all such movements looking toward the improvement of governmental processes is the stubborn opposition of party control and management. The League of Women Voters is always fighting an up-hill fight because of the resistance of legislators whose primary loyalty is to the party leaders. Michigan reformers bring about the passage of a good civil service law and the establishment of a well manned agency only to see both threatened by a turn in the political tide.

How incongruous, how irrational it is that the political parties, the citizens' instrument for controlling government, so consistently balk and thwart efforts for improving the conduct of government! Our servants have indeed become our masters. Only by elaborate and expensive campaigns, publicity, and lobbies can the party representatives be moved to adopt obviously progressive measures. If the same amount of effort were directed to the nomination and election of really representative candidates for the party councils at the primaries, the returns would in the end far exceed the gains now won through the methods just mentioned.

Who will deny that the parties are at the root of the matter, whether it be in the field of legislation or administration? Our traditions lead us to accept the customary type of party control as an obstacle to be overcome when we are interested in progressive measures. Why does our common sense not impel us to so modify the character of party control that it will serve as an instrument of progress rather than an obstacle to it? Such a modification is ours for the seeking if we think it worth while to pay the price.

CITIZEN PARTICIPATION NECESSARY

The attitude of the typical American has been and is that government is largely a routine to be administered and that the task of administration can be left to the politicians who are interested in such matters. If the leaders of the parties see fit to nominate good men for public office, that is all to the good; but if on the other hand they nominate second or third raters, that is just one of those things to be regretted per-

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Planning for Seven Million: Year One

By PHILLIP B. THURSTON, *Secretary*
New York City Planning Commission

Adequate planning has been conspicuous by its absence in New York City, but commission created by new charter gives promise of placing city in the forefront of well planned communities.

PLANNERS and others hoping for some order out of the sordid chaos of American municipal government are watching the operation of the New York City Planning Commission, one of the important creatures of New York's new charter,[1] with keen interest.

The many changes wrought by this charter,[2] the large powers and responsibilities vested in the commission, and financial stringencies generally have conspired to make the first year of the New York City Planning Commission one of slow but steady growth which needs must continue for several years before a full synthesis of its functions can be achieved.

In New York City, before the advent of the commission, what little general planning there was had been carried on by such temporary official agencies as the Mayor's Committee on City Planning, by some department heads, notably the park commissioner, or by privately endowed planning agencies such as the Regional Plan Association and its predecessors.

The seven commissioners are appointed by the Mayor for staggered terms of eight years each, so that no mayor during a single term can appoint a majority. Safeguards provide against reductions in the salaries of members except in case of general and proportional reductions and provide for removal from office only on charges with opportunity for a hearing, with the assistance of counsel, before the Mayor. The vital sections of the charter creating the commission and relating to planning cannot be repealed or amended except by popular referendum.[3]

A unique feature of the planning provisions of the charter is the creation not only of a City Planning Commission of seven members but of a Department of City Planning, whose head is the chairman of the commission. This department embraces the technical and clerical staff which prepares and carries out the work leading to action by the commission. Thus there are two distinct entities, the City Planning Commission and the secretary appointed by it and the Department of City Planning, i.e., the staff,[4] tied together by the chairmanship.

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[1] This charter was adopted on November 3, 1936, by a popular vote of 952,519 to 603,072, and went into effect January 1, 1938.

[2] Provisions describing the City Planning Commission may be found in the New York City Charter, sections 191 to 224.

[3] *Ibid.*, section 40 (17) and (18) applying to sections 191, 192, 193, 199, 200 and 224.

In addition, each of the five borough presidents appoints an advisory planning board of three members for staggered terms of six years each, who serve without compensation to advise the commission and the borough presidents on planning matters within their respective boroughs.

The commission took office January 1, 1938, with A. A. Berle, Jr., former city chamberlain, as acting chairman. The other commissioners appointed by Mayor La Guardia are Lawrence M. Orton, planner, formerly actively associated with the Regional Plan Association and the Mayor's Committee on City Planning; Cleveland Rodgers, former editor of the *Brooklyn Daily Eagle;* Edwin A. Salmon, architect; and Arthur V. Sheridan, formerly chief engineer of the Bronx. The sixth appointment has not yet been made. The chief engineer of the Board of Estimate is a member by virtue of his office.

Within three months of the date of his appointment President Roosevelt called Mr. Berle to Washington as assistant secretary of state and for a month Vernon S. Moon, chief engineer of the Board of Estimate, functioned as acting chairman by designation of the Mayor until R. G. Tugwell, formerly under secretary of agriculture, was appointed permanent chairman in April.

ORGANIZATION OF COMMISSION

At its first meeting the commission appointed a lawyer as secretary and Chairman Tugwell has organized the department under an administrator with four divisions: capital and assessable improvements, mapping and zoning, master plan (physical design of the master plan), and research and reference (economic and social basis for the master plan).

At the outset one-third of the staff of the chief engineer of the Board of Estimate, twenty in number, were transferred to the commission. Gradually, especially during the last half of the year, the staff has been increased, largely by transfer from other city agencies because of corresponding changes of function under the new charter, until it numbers sixty-six. (Ten of these positions had not been filled at the end of the year.) Except for the commissioners appointed by the Mayor and two exempt secretaries, one of whom was chosen from civil service lists, all of the positions in the department are in the classified, competitive civil service.

The first year of the commission has been one of great activity in public improvement. During 1938 matters referred to the commission by the Board of Estimate, received from other city agencies, or initiated by the commission, numbered 738, on which the commission held 287 hearings and adopted 495 reports rendered to the Board of Estimate.

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[4] *Ibid.*, section 195 providing, "There shall be such engineers, architects, experts, and other officers and employees of the department as may be required to perform its duties and within the appropriation therefor."

MATTERS HANDLED BY CITY PLANNING COMMISSION
January 1, 1938, to December 31, 1938

Cases	*Referred by Board of estimate*	*Received from Borough President etc.*	*Petitions*	*Initiated by C.P.C.*	*Total Projects*	*Withdrawn or filed*	*Hearings Held*	*Reports to Board of Estimate*
Zoning	30	9	32	22	93	12	93	66
Map Changes	273				273	12	133	128
Drainage Plans	43				43		30	30
Assessable Improvements	193				193	2		162
Sites	28				28		1	20
Acquisition of Streets	42				42			39
Parks and Playgrounds	24				24		17	17
Subdivision Maps		22			22			18
Parkways	10				10		10	10
Waterfront Plans	3				3		2	2
Grade Crossing Eliminations	1				1		1	1
Miscellaneous	6				6			2
	653	31	32	22	738	26	287	495

Plans for various projects were submitted by the borough presidents, the park department, and other agencies. Maps for advertising hearings and reports, based on inspections and studies of the commission, were prepared by the department. Much of this work was done under adverse conditions by a small engineering staff, subject to continual pressure to conform to legal requirements as to time and procedure, and in response to urgent demands of other branches of the city government. Many physical changes, including new thoroughfares, sewers, and street widenings, were expedited in preparation for the New York World's Fair of 1939.

City planning is a new function, however, and it cannot be expected that any staff so assembled can operate effectively without additional training and experience. The department therefore coöperated with the New York State Department of Education and the Municipal Training Institute of New York State in the development of a New York City Regional Training School held in February 1939. Further opportunities for in-service training are being planned.

In its effort to create a suitable staff, the commission fortunately had the coöperation of the Municipal Civil Service Commission, which has now approved the establishment of an "economist" classification and a "city planner" classification. The former is one of the few such classifications existing in any city government and should prove useful to other city agencies. The latter classification will, it is believed, permit the master plan to be developed as it should.

THE MASTER PLAN

The first and most significant task assigned to the commission by the charter is the preparation of a master plan. It is the basic key to the planning provisions but it is the one upon which least work has been done since this division really did not get under way until November. In a very real sense the master plan will be dynamic. Unlike the city map, it will suggest rather than fix the location of future improvements. It will become the basis for progressive amendments to the city map, and a guide to capital budgeting. In addition it will influence construction programs and policies of state and federal agencies. Not only is it concerned with public improvements and their location, but also it must indicate desirable trends and locations for semi-public and private construction, so that these may fit in with an agreed pattern for the future structure of the city.

The commission is the custodian of the city map. All changes in the master plan and city map must be referred to the commission. The old zoning powers of the Board of Estimate have been transferred to the commission with a certain veto power retained by the board. A new provision limits taxpayers' petitions for zone changes to April of each year, although the commission may initiate a change at any time.

Another important function relates to the subdivision or platting of land into streets, avenues, or public places and blocks within the limits of the city, maps for which come before the commission for approval. The divisions of master plan and mapping and zoning are studying this problem and are drafting detailed requirements for developers which the commission hopes to put into effect soon.

Perhaps the new instrumentality most important of all to tie together all aspects of city planning in a realistic and orderly fashion is the provision for the initiation of the capital budget for the following year and a capital program for the five years thereafter by the commission.[5] The budget is subject to approval by the Board of Estimate and the City Council which can only eliminate items, but the capital program is under the sole control of the commission. Once adopted the budget may be amended or modified only upon a recommendation adopted by a two-thirds vote of the commission.

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[5] *New York City Charter,* section 217. See also other sections of chapter 9 dealing with the capital budget.

Experience in developing the capital budget for 1939 and the capital program for 1940-1944 made it clear to the commission that in the future three fiscal problems must be considered—assessable improvements, assessed valuations, and further sources of revenue.

At present assessable improvements when financed by assessment bonds have to be deducted from the borrowing capacity of the city; but they are not regulated under a budgetary system in the same manner as are other physical improvements made by the city. They affect the physical structure of the city in the same manner as expenditures under the capital budget. In view of this situation it is the opinion of those concerned with these matters that assessable improvements should be so included.

BOARD OF ESTIMATE HAS VETO

In the emphasis on the powers of the commission, sight must not be lost of that vital spark of representative government which has been carefully preserved by the framers of the charter in the power of the elected Board of Estimate to overrule the commission, but only by a three-quarters vote. In the first year of the commission, the Board of Estimate has overruled only a few minor reports out of 495, although some were roundly debated.

There are some kinks and wrinkles in the wording of some of the charter sections relating to planning to be worked out through court decisions and amendments. Some test cases are already on their way to a final decision and it is to be hoped that in the final analysis the courts will construe ambiguities in the same liberal fashion with which they generally approached zoning a quarter of a century ago.

Printed calendars are published for each regular meeting and rules for the conduct of business have been adopted. Notices of hearings and minutes are published regularly in *The City Record,* the official city daily newspaper. Pamphlet minutes are published monthly and an indexed, bound volume annually, the first of which is about to come off the press. Because of numerous inquiries as to the powers of the commission, a mimeographed excerpt of all the sections of the charter and administrative code relating to the commission has been made available.

As the commission is a new body with large enumerated powers, but without particular precedent here or elsewhere, numerous legal forms for its calendars, reports, resolutions, minutes, and other public procedures had to be formulated. It has been the duty of the office of the secretary to prepare these. In the preparation of such material, it has been necessary to draw analogies from other agencies, especially those which performed such of the present technical business of the commission as was carried on previously.

The predecessors already mentioned left a legacy of information but no governmental precedents. Changes in the wording of the building zone resolution, the zoning maps, and the city map were transferred from the old Board of Estimate and Apportionment to the commission for hearing and determination. Hence a large body of precedent for the preparation of calendars, hearings, reports, and resolutions of the commission was found in the minutes and records of that board. This was true also of the Bureau of Engineering, which furnished the old board with its more detailed reports.

Problems relating to the use of city property, especially waterfront land, were formerly handled by the Sinking Fund Commission which disappeared with the old charter, and the minutes of this commission were helpful. Since there had been a capital outlay budget, handled by the Bureau of the Budget, for only a few years, the greatly enlarged provisions for the capital budget and five-year program in the new charter meant the development of new instruments of procedure for the handling of these matters.

At present the last of these tasks is in sight, that of the procedure regarding the adoption and modification of the master plan, something which New York City has never known. The nearest analogy is the history-making task a quarter of a century ago of preparing and adopting the building zone resolution under the direction of the Committee on the Height of Buildings.

REZONING NECESSARY

By the time the commission has begun to function fully under all the provisions of the new charter, another formidable task will need to be undertaken, that of drafting, obtaining public comment upon, and adopting an entirely new zoning technique adequate to the city's needs. New York's zoning resolution was a pioneering work. But it was a cautious and conservative one. This may have been justified once; indeed it is often pointed out that the New York zoning laws never suffered a major setback in the courts. But the caution which was once possibly justified by the need to conciliate the courts has long since become a handicap. Other communities have gone far ahead. This experience, together with thousands of legal decisions—over five hundred in New York State alone—furnishes a rich background upon which to build anew. This work must be undertaken at once. Much of the spade work and general direction has been pointed by studies of the Mayor's Committee on City Planning.

Pending a basic revision of the building zone resolution, the commission is about to undertake numerous minor alterations primarily to bring the wording in tune with the new charter. Because of the large amount of rezoning, new zoning maps will soon be needed and due to numerous public improvements, largely for the New York City World's Fair of 1939, the same is true of the city map, although both were recently brought up to date by the chief engineer before his custody was transferred by the new charter to the commission.

Among the many valuable products the commission received from its predecessor, the Mayor's Committee on City Planning and the WPA projects it sponsored over several years, is a scale model of New York City which is being exhibited at the entrance to the New York City building at the fair.

HOUSING PLANS

One of the important elements in modern planning is housing. With Mayor La Guardia's local housing leadership through the city occupancy tax to pay the interest on city housing bonds, and with the state housing amendment to the constitution, which it is hoped will be implemented with adequate legislation and funds this year to supplement federal housing funds, the development of low-cost housing sites and relating them to city planning is one of the most important single problems facing the commission. Chairman Tugwell served as a member of the Mayor's committee to draft state housing legislation which resulted in the first bill introduced at Albany with complete reference to planning problems.

In the field of zoning perhaps the outstanding achievement of the commission was the creation of a new "G" area district limited to single family homes for the first time in the history of New York City zoning. Already three home areas in three different boroughs have been placed in this district at the request of a large majority of the home owners themselves and several more applications are pending.

In extent of area covered—over 11,000 acres—and variety of rezoning in the city, the changes in the first year of the commission establish a new record for action. Yet they represent but a meagre beginning in correcting the wide discrepancy between the areas actually used for business and industry in the city and those zoned for these purposes. Similarly they represent slight progress toward establishing a realistic relationship between permitted building bulks and those which may be anticipated and should be encouraged in the future.

With parks, parkways, playgrounds, health, hospitals, and schools, the commission has had a busy year but the details of these steps must be left to the annual report and a reprint of the

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A State Department of Local Government

By SAMUEL D. HOFFMAN, *Member New Jersey Local Government Board*

New Jersey pioneers in the field of guidance, supervision, and control of its local subdivisions; study of entire field of local government to be undertaken.

THE state of New Jersey in 1938 took the first step in a program which, if successfully consummated, should inaugurate a new era in improved management and more efficient conduct in local government.

No one can gainsay the fact that on the whole the problems of local government are becoming more complex, the burdens of the taxpayer increasingly onerous, and the responsibility on public officials increasingly grave.

There is of course no panacea for these ills, no simple solution which will bring sudden release from the cares which confront both official and taxpayer. It has been and will continue to be a long, uphill fight, slow moving and discouraging at times, step by step toward the accomplishment of many objectives, some of which in all probability may never be accomplished in our day.

Nevertheless, it must be obvious that, unless actual corrective efforts of a positive nature are undertaken, not only will those objectives never be reached, but the present undesirable conditions will become progressively worse.

With this in mind the Princeton Local Government Survey of Princeton University gave much time and effort to a study of one of these objectives, the improvement of fiscal administration in local government in New Jersey. Out of these efforts came the passage of four bills by the 1938 legislature which created the foundation upon which this objective might be achieved.[1]

THE "PRINCETON BILLS"

Until the passage of this legislation there was no single specialized state agency treating the problems of local government, there was no authority for uniform itemization and classification of service appropriations, there was no effective control over emergency appropriations, there was no adequate or effective plan for capital expenditures, nor was there any uniformity in local accounting methods and practices.

Of course, in many instances, where the size of the municipality required it or where the local municipal officials demanded it, private accountants have done a good job. The fact remains, however, that in the great majority of instances no uniformity either of accounting methods or of financial administration existed, nor was there any authority which could require it.

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[1] These bills when enacted into law became Chapters 127, 128, 158, 159 of the laws of 1938.

Because of this lack of uniformity in the maintenance of fiscal records and the lack of a standard and uniform basis of budgeting expenditures, it was an impossible task to make a true comparison of service costs in the various municipalities. Without such an honest basis for comparison it has been extremely difficult for the taxpayers to arrive at fair conclusions. In many cases because of the lack of uniformity the conclusions reached were unfair to municipal officials.

Many new and frequently bewildering problems confronted local officials and the lack of codification of the statutory law relating to local finance, the vesting of such powers as did exist in divergent agencies, and the lack of effective legislation giving supervisory authority in appropriate cases, made highly desirable the creation of one agency concentrating on and assuming responsibility for the single function of the local fiscal process.

WHAT THE NEW LAWS PROVIDE

The new acts provide for the creation of a Department of Local Government, a single, specialized state agency to administer the laws regarding local finance, and give to this agency various rights and duties some of which will be subsequently detailed.

They provide, perhaps for the first time in any state in our nation, a legislative definition of unsound financial conditions and prescribe certain restraints on further debts and local taxation in order to safeguard the community assets while corrective methods are worked out and applied.

A great deal of the legislation existed previously but applied to various state agencies. The new legislation combined functions in one agency and in certain cases extended them. The extensions include the prescription of the form, classification and details of local budgeting, the passing upon emergency appropriations, supervision of capital budgeting, the holding of hearings, prescription of uniform accounting systems, investigation and prescription of rules governing the method, scope and procedure of auditing, and supervision of municipalities which come within the jurisdiction of the board by reason of the existence of unsound financial conditions.

It is of interest that the legislature in creating the State Department of Local Government established therein two units with separate and distinct powers and duties—the commissioner of local government as such and the Local Government Board of which the commissioner is chairman. A respect by each of these units for the rights, powers, and duties of the other and a willingness to coöperate is essential to the smooth functioning of the department.

The act confers upon the commissioner of local government the duty and power of administering the work of the department, prescribing its organization, the administration of the state laws included within its jurisdiction, and recommendation to the state board of reasonable rules and regulations for the interpretation and administration of these laws. He has had turned over to him various powers and duties previously exercised by the state auditor. He is further vested with powers concerning the examination and investigation of the financial condition of municipalities.

The state board on the other hand has been entrusted with the study of the entire field of local government in New Jersey, the promulgation of reasonable rules and regulations for the interpretation and administration of the laws, the holding of hearings and acting in an appellate capacity from determinations made by the commissioner, and reporting to the Governor and legislature concerning the work of the department and the problems of local government.

The state board is further entrusted with power to prescribe uniform accounting systems for municipalities as well as to prescribe systems of financial administration for municipalities, having due regard, of course, for the requirements of different cities depending upon size, population, and other factors which must of necessity be taken into consideration. The state board also prescribes forms upon which financial statements and other reports pertaining to local financial affairs shall be made, so that the general public may get an intelligent insight into the fiscal affairs of the municipality which unfortunately, in many cases, it does not receive today.

UNSOUND CONDITIONS DEFINED

Chapter 127, which is entirely new and goes further than the other acts in granting regulatory and supervisory authority in appropriate cases, contains a definition of what constitutes unsound financial conditions. The provisions of this act take effect in a municipality when any of the following conditions exist:

1. A default exists in the payment of principal or interest upon bonded obligations or bond anticipation obligations for which no funds or insufficient funds are on hand and available;
2. Payments due and owing the state, county, school district, or special district, or any of them, are unpaid for other than the year just closed and the year next preceding that year;
3. An appropriation for "cash deficit of preceding year," in an amount in excess of 5 per cent of the total amount of taxes levied upon real and personal property for all purposes in such preceding year, is required to be included in the budget for both the year just closed and for the year next preceding that year.
4. Less than 50 per cent of the total amount of taxes levied for all purposes upon real and personal property in the taxing district, in the year just closed and in the year next preceding that year, respectively, were collected during the year of levy. This subsection shall apply only if more than 25 per cent of the amount of such taxes for such year next preceding remained outstanding at the end of the year just closed.

5. The appropriation required to be included in the budget for the next year for the liquidation of floating debt in accordance with sections 40:2-21 (d) and 40:2-23 (b) of the Revised Statutes exceeds 25 per cent of the total amount of the local budget (except appropriations for schools and for floating debt) for the year just ended.

The act is invoked only after due notice and hearing and an opportunity afforded to the municipality in question to be heard.

When it is determined that the act does apply, the municipality in question may not issue or authorize the issuance of obligations, with certain specific exceptions. The act further limits the amount of tax to be raised on real and personal property to not more than 5 per cent in excess of the amount levied the preceding year. Here too the obligations of the municipality for debt service and its contractual obligations with bondholders are respected and not affected.

The statute further gives to the state board sound administrative discretion in connection with the liquidation of the current debt of the municipality. It is to be noted particularly that the jurisdiction of the state board continues only so long as these conditions exist and that as soon as they are removed, its jurisdiction terminates.

HOW THE BOARD OPERATES

Under the powers of this act the Local Government Board has held hearings since January 1, 1939, and has determined that the provisions of the act apply in fifty-one municipalities. It may be of interest to dwell briefly and in a general way upon the nature of the hearings and the conditions developed and revealed.

Generally in attendance are members of the governing body of the municipality, the tax collecting official, auditor, and attorney. Sometimes they are accompanied by members of the school board or members of a taxpayers group. The proceedings are informal and it is impressed upon those who attend that the board is there not to injure or embarrass but to guide and assist them, to the end that matters may be improved and the jurisdiction of the board terminated as speedily as possible. In the great majority of cases the reason for the application of the act has been failure to collect the minimum percentage of taxes required by the statute. The board has sought to go behind this fact and explore the specific problems in each municipality resulting in failure to collect taxes so that each may ultimately receive attention based upon individual needs. The conditions revealed by these explorations may be grouped in three general classifications: those arising out of the economic condition of the inhabitants, those arising out of the physical condition of the municipality, and those arising out of the administrative conduct of officials. There are of course no exact lines of demarcation. All of these conditions exist to a greater or lesser degree in every case. In most cases, however, one or the other predominates.

WHY TAXES ARE NOT COLLECTED

Under the classification of economic conditions come those cases where a single industry which formerly paid a very substantial percentage of taxes becomes insolvent, or where a large number of people employed in neighboring factories are thrown out of work, or where financial institutions have closed, or where in agricultural communities expected crops failed to materialize.

Under the classification of physical conditions come those cases where there are large areas of vacant land—woodland and brushland—which have no value and are not marketable; or where disproportionate improvements were made years ago with the consequent debt service now constituting a staggering load; or where real estate developments were started on a large scale and then abandoned, while assessments were changed to a lot basis entirely out of relation to the value of the property, upon which county and state taxes were levied without any prospect of collection; or where virtually an entire municipality consisted of a real estate development which should never have been incorporated; or where voters approved increases in school budgets entirely oblivious of the burden they were placing upon themselves.

Under the classification of administrative conduct come those cases where no tax sales or incomplete tax sales were held, in consequence of which amounts accumulated which wiped out all equity in the premises; or where no interest penalties were enforced except spasmodically; or where elected tax collecting officials refused to coöperate with or take orders from the governing body, or felt that because they were part-time officials they could not afford to devote greater effort to the collection of taxes; or where irregularities or embezzlements occurred in the tax collection office.

The board in dealing with all of these cases made practical suggestions, provided for annual tax sales, and ruled against waiver of interest penalties; and it will endeavor to work out specific plans to assist those municipalities whose condition has not become hopeless.

While it is entirely too early to judge the work of the board it is apparent that an opportunity for constructive service exists.

THE FISCAL PROCESS

Not only has this been apparent in connection with the conferences held with officials of municipalities under Chapter 127, but the general character of the program already set in motion indicates tremendous possibilities for improvement.

This program includes a study of the entire field of local government in New Jersey. The board has already held a series of illuminating conferences with representatives of a number of responsible organizations who have made independent studies of various aspects of local government. Views have been exchanged and plans coördinated.

Plans are being formulated to create advisory committees consisting of technically trained men to work out methods for the orderly accumulation of statistical data for the use of students of government as well as taxpayers.

The board has conducted educational and instructive meetings for local officials and auditors. It has required uniform independent verification of delinquent taxes as part of the annual audit, which requirement has already produced salutary results by uncovering irregularities and shortages. It has initiated first steps toward uniform classification of accounts. It contemplates an examination of all pending legislation as well as a review of existing enactments affecting fiscal affairs of municipalities for the guidance and information of the legislature. It proposes to recommend such additional legislation as may be necessary to fully carry out the objectives of the program.

Emphasis should be placed upon the fact that there is no authority in the legislation or any desire on the part of the board to interfere with the legitimate functions and powers of the duly elected officials of any municipality, or to impose or substitute its judgment in the case of well governed and well managed municipalities in sound fiscal condition. Such powers as are conferred upon the board are confined to assistance, guidance, and regulation where unsound conditions exist and to promotion and development of uniform practices which must prove beneficial.

The board at the present time consists of Walter R. Darby, chairman and commissioner of local government. Mr. Darby has been developing this department for over twenty years, first as commissioner of municipal accounts and later as state auditor. The other members of the board, which is bipartisan in nature, are Raymond M. Greer, comptroller of Jersey City; Charles J. Ehmling, formerly a member of the Union County Tax Board; John F. Schenk, formerly mayor of Flemington; and the writer of this article, who was formerly a commissioner of the city of New Brunswick. As may be seen, the Board is made up of men who have had day-to-day experience in the administration of local government, who are equipped to understand the problems confronting both taxpayer and official, and who can bring to their work a varied and comprehensive knowledge of an academic as well as a practical nature.

Many distinct benefits to the taxpayer should follow the successful operation of these new laws. Local fiscal records will be adequate; they will be uniform with respect to accounting practices and will permit an honest comparison of the costs of services, they will make available consultation and guidance to all municipal officials and regulation of those who require it, they will provide proper systems of financial administration based upon the requirements of the various municipalities, they will ultimately provide a standardized uniform basis of budgeting expenditures, they will reduce the complexity of statutory law concerning local government and vest in one specialized state agency responsibility for its administration.

More important, they will permit the rendering of assistance and corrective treatment to municipalities on the financial toboggan before they reach bottom.

Heretofore, before legal restrictions could be placed upon the financial activity of municipalities, it was necessary that the municipality be subjected to the jurisdiction of the Municipal Finance Commission. Frequently by that time the municipality had reached a condition practically beyond redemption.

The ultimate success of the legislation will depend in no small measure upon the spirit of the approach by the board as well as the coöperation which it receives from municipal officials. It will also depend in a great measure upon reasonable flexibility of action and the use of sound administrative discretion. The mistakes of years, together with conditions created by circumstances beyond the control of local governing bodies, cannot be corrected in a day.

It is a long range program but an honest effort to properly and intelligently translate the objectives of the legislation will no doubt result in greater economy, better management, and more confidence on the part of the general public in local officials.

THE PARTY IS THE CRUX

(Continued from Page 340)

haps, but at worst to be endured.

But now in a brief space of time government has become a problem to be solved and a far-reaching enterprise to be run, an enterprise which absorbs a fifth of the annual national income. At the same time, democratic institutions are being aggressively challenged by powerful rivals with ambitions for a world empire.

As we view this present scene, can we afford to continue our traditional indifference to politics and consign our fate to the short-sighted tactics of professional politicians? However distasteful political activity may be to us, however unwilling we may be to devote time and effort to party work, does not self-interest dictate that we pay the price of living under a representative government to the end that it become more nearly representative than it has been in our generation?

As I view it, the future of democracy hinges upon the way in which the more intelligent citizens answer these questions. The crux of the matter is the quality and character of the political parties.

Georgia Counties Face Financial Dilemma

By CULLEN B. GOSNELL, *Emory University*

County consolidation proposed as one way of easing fiscal burden and giving counties greater efficiency. State has second largest number of counties in the country; exceeded only by Texas.

ACCORDING to Auditor Zach Arnold, the state of Georgia faces a deficit of approximately $8,700,000 for the fiscal year 1939. Figures given out recently by the State Department of Revenue show that the counties will run a deficit of $1,876,000—a total of approximately $10,600,000.

In view of these facts county consolidation is being seriously considered as a way of partially meeting the crisis. In fact, Representative H. B. Edwards proposed a plan to the 1939 General Assembly for reducing the number of counties to sixty.

Georgia has the second largest number of counties of any state in the union. Only Texas with an area almost five times that of Georgia has more county units. That state has 253 counties with a square mile area of approximately 265,000, while Georgia has 159 with an area of 58,725 square miles. The average square mile area per county in Georgia is 369.34 as compared with over 1,000 in Texas.

President Roosevelt has said that our American counties were made for the "ox-cart" days. In the early days counties had to be small as travel was slow. Even twenty-five years ago, what with bad roads and slow means of travel, it took all day for a person to travel from his home to his county seat twelve or fourteen miles away, transact a little business, and return home. Nowadays one can travel the same distance in fifteen or twenty minutes. Truly Georgia counties were made for the "ox-cart" days. The smallest county in the state, Clarke, has an area of only 114 square miles. Many other counties are almost as small.

An expert has estimated that as the population of a county falls below 50,000, per capita costs of its government increase. There are only six counties in Georgia that have 50,000 or more people each. These counties are Bibb, Chatham, De Kalb, Fulton, Muscogee, and Richmond. There are several with ridiculously small populations. For instance, Echols has 2,744 people, Dawson 3,502, Quitman 3,820, and Dade 4,146. Nine counties have less than 5,000 people each. Fulton County with a population of 336,788 has more people than the forty-nine smallest counties put together.

Many people have contended that the large counties of Georgia have the highest tax rates, but the facts fail to show this. The small counties have both the highest and the lowest.

The rates in the large counties for 1938 were: Bulloch 15 mills, Burke 8, Camden 10, Charlton 11, Clinch 8, Coffee 15, Decatur 14, Emanuel 15, Jefferson 16, Laurens 20, Screven 14, Washington 12, Fulton 14, Ware 16, and Wayne 10. (All of these counties have over 600 square miles each.) At the same time the rates for sixteen small counties, ranging in square mile area from 114 to less than 200, were as follows: Barrow 17.5, Catossa 18, Clarke 11, Clayton 16.5, Dade 17.5, Glascock 16, Lamar 15, Lanier 14, Montgomery 15, Oconee 17, Peach 16, Quitman 14, Rockdale 15, Schley 4, Stephens 15, and Towns 15.

SMALL COUNTIES COSTLY

The average for the sixteen largest counties mentioned above was 13.56 mills, while the average for the sixteen smallest was 14.78 mills. Attention must be called to the fact that the highest tax rate was in a large county—Laurens, 20 mills—while the lowest rate was in a small county—Schley, with 4 mills. But the average rate for the sixteen smallest counties was over one mill more than for the sixteen largest counties. It must be said, in all fairness, however, that tax rates may not mean so much after all as valuations vary widely.

Another significant fact must be brought out. The less populous counties receive more out of the state treasury than they pay in. The comptroller-general's report shows that in 1938 only seven counties paid into the state treasury in property, poll, professional, occupational, and inheritance taxes more than they received. These counties were Bibb, Chatham, Coweta, Floyd, Fulton, Glynn, and Richmond. Some of the small counties received many times as much as they paid.

For example, Dawson County paid in $408.11 and took out $20,395.41 while Clay paid in $808.65 and received $22,290.73. In other words, for every dollar Dawson County paid to the state it got back approximately fifty. Clay County's investment was a good one, too, for it received about twenty-eight times as much as it contributed.

Let us now examine the assessed valuations of property in Georgia counties for 1938. Such an examination reveals that forty-seven counties reported a valuation of less than $1,000,000 each, fifty-three counties had assessed valuations of $1,000,000 to $2,000,000; thirty-four counties from $2,000,000 to $4,000,000; seventeen counties from $4,000,000 to $10,000,000; and only eight above the $10,000,000 figure. The lowest valuations were in Towns County with $248,617 and Chattahoochee with $250,630, while the highest was in Fulton where the assessed valuation was $229,775,695 or over 40 per cent of the total. Dr. Harley Lutz, a noted tax authority of Princeton University, said in his report on the Georgia system of revenue in 1930: "While there is no absolute minimum of wealth subject to taxation for the proper support of a county government organization, it is doubtful if this can be adequately done on an assessment much below $4,000,000."

An examination of the assessed valuations of Georgia counties for 1938 shows that 133 counties fall below $4,000,000.

In 1930 Mr. Ivan Allen of Atlanta, a very able student of government, prepared a plan for county consolidation in Georgia. His plan called for merging all of the 161 (there were 161 at that time) counties into forty-one. He pointed out that the cost of county government in Georgia was $22,000,000 annually and estimated that his merger plan would cut this figure in half. The writer believes that Mr. Allen is a little too optimistic, but considerable savings could be effected by such a plan. Savings would probably amount to 20-25 per cent allowing for better and more efficient county services. Professor Lloyd Raisty's report on the *Financial Statistics of Local Governments in Georgia* showed that the total cost of county government was $26,231,104.27 for 1936. If a saving of 25 per cent could be effected by consolidation the amount would be over 6,500,000. This would make up for more than half of the deficit for 1939.

It is true that the savings as a result of the merger of Campbell and Milton Counties with Fulton have not come up to the expectations of merger advocates. A large number of officials of the merged counties were given jobs in the new Fulton County and many of them were paid better salaries. But there is no gainsaying the fact that the services to the people of the old counties of Milton and Campbell have been much improved. Those counties have better schools, improved roads, better health protection, etc., than they had prior to the merger. It is only fair to say, however, that the merger of Campbell and Milton with Fulton would not be a true example. Campbell and Milton were poor counties and were merged with the richest county in the state. Naturally the people of those counties have benefited.

That interest in county consolidation in Georgia is growing is attested by the fact that Representative Edwards introduced his consolidation bill. Undoubtedly such a measure would get considerable public support. But there is still much opposition in the rural counties—where the need is greatest. The people of these counties are fearful lest county consolidation wipe out the advantage they hold over urban people in nominating and electing state and national legislative officials. But when taxpayers in these counties finally heed the truth, county consolidation will move forward rapidly.

No Job for a County Manager

By **HOWARD M. KLINE**, *University of Maryland*

Poverty of scattered population as well as state control of administrative functions cited as reasons for contention that manager not essential in Maryland rural counties.

MANY governmental reforms or improvements, desirable in principle, frequently are urged upon political leaders and citizens as "good things" without consideration of important local factors.

The county manager plan is a case in point. It has been pushed forward as a progressive and efficient answer to a host of ills and problems in county government, with relatively little attention to peculiar local characteristics such as traditions, socio-economic conditions, and existing relationships between the county and the state.

If allowance is made for such factors, which are very important in Maryland, the feasibility of the county manager plan, for the rural counties of this state at least, is questionable at best. The fact that traditional forms and customs, firmly rooted in pre-Revolutionary days, make modernization difficult, is perhaps an objection less rational—though not less real—than are certain other factors, namely: (1) the system of public local laws in Maryland; (2) the degree of state legislative and administrative control over counties.

Mention of a few of the important characteristics of the rural counties will lend perspective. The Constitutional Convention of 1851 separated the city of Baltimore from the county of which it was a part and established Baltimore as "a separate and independent political unit." Hence the state of Maryland is legally composed of twenty-three counties and the city of Baltimore.

Baltimore dominates the state in population and in taxable wealth. According to the State Board of Health's estimates of population for 1938, 48.48 per cent of the total state population resides within the city's corporate limits. More than 63 per cent of the total taxable property in the state (for state purposes in 1936) is in the city. By contrast, Baltimore has 20.7 per cent and 30 per cent of the representation in the State Senate and House of Delegates, respectively. Thus, the twenty-three counties have an estimated 51.52 per cent of the population (in 1938) and 37 per cent of the taxable property, but 79.3 per cent of the senators and 70 per cent of the delegates.

The population of individual counties ranges from 0.53 per cent to 9.25 per cent of the state population, but the great majority are sparsely settled. For example, the seven most populous counties contain 32.4 per cent of the state population and the remaining sixteen include only 19.12 per cent,

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[1] See also editorial, page 332.

Financial Statistics for Maryland Counties

	Total Taxable Basis 1935-36	*Per Cent Delinquency State Levy 1936-37*[a]	*Per Capita Budget Cost All County Expenses 1935-36*[c]
Allegany	$ 84,759,424	33.72	$15.48
Anne Arundel	55,678,710	23.41	15.73
Baltimore	218,853,698	18.84	15.98
xCalvert	6,067,958	43.0	9.15
xCaroline	15,317,812	47.33	12.55
xCarroll	40,332,777	31.19	12.46
xCecil	40,793,553	31.90	12.99
xCharles	10,321,853	37.44	7.80
xDorchester	24,207,772	42.54	10.21
Frederick	70,138,892	29.77	14.00
xGarrett	18,338,916	43.59	9.46
xHarford	54,923,897	8.01	14.63
xHoward	21,597,419	48.64	15.51
xKent	17,377,627	63.04	18.18
Montgomery	104,415,737	40.24	27.43
Prince George's	70,684,012	33.92	9.75
xQueen Anne's	16,941,097	[b]	12.54
xSaint Mary's	8,909,963	43.98	6.28
xSomerset	12,625,671	59.99	6.88
xTalbot	23,271,149	36.45	10.53
Washington	80,581,749	27.74	10.86
xWicomico	29,533,152	47.71	10.57
xWorcester	21,250,830	47.55	11.68

xCounties regarded as rural for purposes of this consideration.

[a] Compiled from report of Comptroller of Treasury, Statement I.

[b] No data available.

[c] From Weitzell, E. C., *Economy in County Government,* University of Maryland, Bulletin No. 412, page 149.

no one of which has as much as 2.25 per cent of the total. These sixteen counties are definitely rural, having less than one-fifth of the total population and one-eighth of the taxable property, but with one-half of the senators and one-third of the delegates. It is to these sixteen counties that attention is directed here.[1]

Unmistakable evidence of the poverty and rurality of these sixteen counties is seen in the following factors. The inhabitants are principally farmers and small merchants. The population density of each county is below eighty-five persons per square mile on the basis of the 1930 census statistics, and the State Board of Health is estimating a progressive decline in the population of the counties of the Eastern Shore where nine of the sixteen rural counties are located.

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[1] The sixteen rural counties are: Garrett, Charles, Queen Anne's, Worcester, Calvert, Dorchester, Kent, Caroline, Howard, Cecil, Talbot, Somerset, Harford, Carroll, Frederick, and Wicomico. Indeed, Allegany, Washington, and Anne Arundel Counties might also be regarded as rural were it not for the cities of Cumberland, Hagerstown, and Annapolis, respectively.

In fifteen of the sixteen counties it is necessary to transport from 42 to 96 per cent of the pupils attending high schools.[2] In fifteen of the counties the total taxable basis for county purposes, fixed by local assessors, ranges from six to forty-two million dollars.[3] On September 30, 1937, from 31 to 63 per cent of the annual state levy then due from fourteen of the sixteen counties was uncollected.[4]

Not only are these counties rural and poor, but in most of them county officials serve part time and are poorly paid. In many cases the ancient fee system is retained for justices of the peace, constables, sheriffs, and county treasurers. For example, the county commissioners usually receive $500 to $700 per annum with a specific prohibition against any fees for mileage unless traveling in a body outside the county on public business. In a few cases a mileage allowance is permitted, but limited to "one way," and only on the occasion of regular meetings. Election officers, formerly paid an annual sum, now receive compensation of $75 to $200, in election years only.

Judges of the Orphans Court, required by the constitution and established by general state law, are paid on a basis of three dollars to ten dollars per diem while court is in session and it is not uncommon to find an annual maximum of $250 to $500 or a limit on the number of days or sessions that may be held per month. The state's attorneys, also constitutional officers, are paid from $800 to $1500, usually with a specific prohibition against allowances of any fees. Court criers, stenographers, reporters, and clerks are commonly per diem employees.

The legislature has been more generous in the case of the county treasurer although frequently he must pay deputies or assistants out of his own salary. Although the fees of sheriffs, constables, and justices of the peace are fixed by a general state law,[5] its provisions have in most counties been extended and superseded by special local laws.

The establishment of salaries and fees and the regulation of the duties of county officers are locally determined in those states in which the counties have home rule; in Maryland they are fixed by the state legislature.

PUBLIC LOCAL LAWS

The forms, powers, and procedure of county governments in Maryland, regardless of size or wealth, are fixed by special acts of the legislature known as public local laws. Although the state constitution discourages special legislation wherever "a general law can be made applicable," the courts have held that public local laws are not special laws within its meaning.

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[2] In Harford County only 4.8 per cent are transported.

[3] In Harford County the assessed valuation is just over fifty-six million dollars.

[4] Report of Comptroller of Treasury, Year ended September 30, 1937, Statement "I".

[5] Annotated Code of Maryland, art. 36, Fees of Officers.

In 1914 the General Assembly submitted to the voters a proposed constitutional amendment to permit Baltimore City or any county to adopt its own charter. This home rule amendment was approved by the voters in 1915 and an enabling act was passed by the legislature in 1918, but no county has availed itself of its provisions.[6] The act, it is generally agreed, is home rule in name rather than in fact, for several important county officers are constitutional officers and the grant of power under the amendment does not insure legislative nonintervention.

A kind of "left-handed" home rule, however, is secured by reason of the way public local laws are handled by the legislature. Local bills, introduced by a senator or delegate from the county affected, are referred to a special committee composed of the whole delegation from that county, to which is occasionally added one or two representatives from an adjoining county. Those who have observed the process in operation assert that such bills are invariably reported favorably and that it is only a bold or uninitiated legislator who has the temerity to offer to discuss them or question their merits. A local bill is the personal prerogative of its proponent, and any attitude other than passive approval is a breach of courtesy. The result is that the quantity of local laws is very large.

STATE LEGISLATIVE CONTROL

The interposition by the legislature of a great mass of local laws between county officials and the problems of county government has reduced local officers to the performance of duties largely non-discretionary. Important local policies are currently decided either by the legislature or by state administrative agencies whose control over local affairs has generally increased in the past decade.

The discretion of the county commissioners has been limited in many particulars. The use of the public local law for general salary-fixing extends even to wages for day laborers and supervisors on public roads. The county commissioners must levy for education at least the amount requested by the County Board of Education; they are directed to allow fixed sums to volunteer fire departments within certain incorporated towns; they are required to levy at least a minimum sum for the repair and construction of roads and bridges;[7] they must reimburse certain incorporated towns for sums spent by the towns for repair and maintenance of street road beds;[7] they may not expend beyond a named maximum amount for publication of notices of the annual levy, reports of audits, announcements of registration, elections, etc., which are required to be published; they may not change the amount or kind of surety on the several bonds required of county officers.

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[6] The city of Baltimore in 1918 adopted a new charter composed largely of its old 1898 charter as granted by the legislature, plus the amendments which the legislature had made in the twenty-year interval.

[7] See below, footnote 9.

If only by their volume and complexity, the public local laws indicate the close attention which has been given to the county treasurer. His selection and qualification, the nature and quantity of his bonds, the methods of levying and collecting and reporting both state and county taxes, the variety and procedure of keeping several sets of accounts, the limits on deposit of state and county funds in his hands, the discounts to be allowed for early payments of taxes, a complete outline of the time and procedure for collecting delinquent taxes and conducting tax sales—all these are extensively covered by local laws. These laws tend to be uniform among the rural counties. Hence the county officer who is probably most free from control by state administrative agencies is closely controlled by elaborate and comprehensive local laws.

STATE ADMINISTRATIVE CONTROL

If the legislature has regulated local affairs in great detail through local legislation, as much may be said for the increase in authority of state administrative agencies. In 1933 the legislature authorized the State Roads Commission to take over from the county authorities the construction, repair, and maintenance of all county roads[8] and provided that the commission might buy or rent the road equipment then in the hands of local road authorities and that the "commission shall first employ the personnel" previously hired by local road authorities.

Three-tenths of the income from a one-and-a-half-cent gasoline tax is paid over to the city of Baltimore for street improvements. Seven-tenths remains with the State Roads Commission, to be allocated to the counties in the proportion which the road mileage of the counties bears to the road mileage of the state, for construction of state roads, construction and maintenance of county roads or streets of incorporated areas, and debt service on obligations the proceeds of which were used for street or road improvements.

Further, the law requires the commission to seek the recommendations of the local road authorities upon (1) the portion of the funds allocated to the county to be expended for each of the three purposes above; (2) the specific roads to be constructed or maintained, the methods and materials to be used, and the estimated cost; (3) the amount to be expended upon the streets of the incorporated municipalities in the county; and (4) the base rate of pay for unskilled labor employed by the roads commission in the county. On each of these matters the commission is to seek mere recommendations, and if it fails to concur in the recommendations, the local authorities may have a formal hearing before the commission.

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[8] The three counties surrounding Baltimore City—Baltimore, Harford, and Anne Arundel—have retained local control.

In final analysis, the State Roads Commission controls the purpose and projects for which road moneys may be expended.[9] Although the original act of 1933 was limited to two years it has been twice extended for similar periods.[10] The new Governor stated in his campaign that he believed that county roads should be handed back to those counties which wished to regain control of their roads. Hence, the immediate future of state control over county roads is rather uncertain.

Again, by an act of 1935 the state police were given general peace and law enforcement powers in all but four counties. In these four they continue to have authority to enforce motor vehicle laws. Generally, the state police have the same powers as sheriffs, constables, peace, and police officers have in their jurisdictions.

The Board of State Aid and Charities, named by the Governor, has power to create county welfare boards and to nominate to the county commissioners a panel, containing twice as many names as vacancies, from which the commissioners must select its members. The state board determines the formula upon which payments are made to charitable institutes or agencies on a per capita basis, and licenses all private institutions or societies in accordance with its own rules.

Further, the state board has authority to prescribe the number, salaries, and minimum qualifications of the personnel engaged by local boards to administer welfare activities wholly or partially financed by the state. The state board enjoys a wide scope of authority, therefore, to supervise the local administration of public welfare, including mothers' assistance, old-age pensions, relief for the blind and other handicapped needy, aid to dependent and delinquent children, and probation service to the courts.

The State Board of Education and the state superintendent of schools exercise an even greater degree of control than does the Board of State Aid and Charities. The state superintendent, with the approval of the state board, prescribes rules for grading and standardizing schools, for issuing certificates, diplomas, or degrees; prescribes courses of study for elementary, high, and normal schools; regulates the certification of teachers; establishes forms for and requires submission of financial accounts and reports; passes on all proposals for purchase or sale of grounds or buildings and upon all plans and specifications for remodeling of old or construction of new schools when amount involved is in excess of $300.

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[9] The act suspended all public local laws requiring county commissioners to levy minimum amounts or minimum rates for road maintenance.

[10] Chap. 425 of Laws of 1933, extended by chap. 465 of Laws of 1935, and by chap. 341 of Laws of 1937. Several county delegations to the 1939 legislature announced that they would sponsor measures to return roads and road money to county control.

The state superintendent is empowered to cause the comptroller to withhold part or all of any state funds in the event of violation of the provision of the public education law or of any of the rules enacted by the state board. An index of the significance of this power to withhold state aid to local schools may be ascertained from the fact that state aid in 1937 supplied from 38 to nearly 68 per cent of the current expense disbursements for schools in the counties under consideration.

The state school, roads, welfare, and police agencies have authority and responsibility not only to raise local standards of administration but also to plan state-wide, rather than county-wide, programs in these several fields. Education, road maintenance and construction, public assistance, and law enforcement are in Maryland, as elsewhere, among the most important and most expensive county functions.

With no brief for present policies, the contention here is that the peculiar situation of Maryland's sixteen rural counties neither demands nor recommends the county manager plan. Two principal reasons are urged as supporting this view. First, the problems of county government in these rural areas are so elementary and the areas so poor that a modern streamlined executive could neither be fully occupied nor easily afforded. The county manager plan is essentially a device to coördinate the activities of county government in the hands of a single person and to bring to those activities an administrative technician. In Maryland's sixteen rural counties the activities are not sufficiently expensive or cumbersome to necessitate such a degree of coördination and administrative proficiency.

Secondly, the state has already assumed primary responsibility for improved standards of administration in the basic functions of justice, health, schools, roads, welfare, and police. Here local responsibility has been narrowed to the administration of these functions under state supervision, with exclusive responsibility in relatively few matters.

The problems of Baltimore City and those of the other seven counties, or, at least, of two or three of them,[11] are very appreciably different. The efficacy of home rule and/or the county or city manager plan for these areas rests upon a set of population, financial, and administrative situations so completely at variance with those herein stated that a separate analysis is required.

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[11] Particularly Baltimore, Montgomery, and Prince George's Counties.

Mississippi Provides Tax-Free Homes

By **M. H. SATTERFIELD**, *Tennessee Valley Authority*

One hundred fifty thousand home owners claim exemption under new homestead laws; program to cost state over three and a half million dollars yearly.

THE exemption of homesteads from taxation is a relatively recent development in the United States. Through the adoption of a constitutional amendment in 1932, Texas was the first state to provide homestead exemption, but by 1938 eleven states had enacted such legislation. In addition two other states give homesteads tax preference over other types of residential properties.[1]

The first homestead exemption law to be enacted in Mississippi was passed in 1934. Under this law homesteads were granted an exemption from all state ad valorem taxes to the extent of $1,000 of their assessed value; the homestead, however, was limited to forty acres in area.[2] This cautious beginning did not remain in effect for long, for in 1935 the amount of the exemption was increased to $2,500 and the area limit raised to 160 acres.[3]

No further changes were made in the law until 1938 when the legislature was called into extraordinary session to consider legislation for the exemption of homesteads from all property taxes. Although the legislature did not adopt the entire program recommended by the Governor, it passed ten bills relating to homestead exemption. As a result of this legislation, Mississippi has gone a long way toward providing tax-free homes.[4]

By the provisions of the laws now in effect, homesteads in Mississippi are exempt from ad valorem taxes levied by the state for all purposes and from such taxes levied for maintenance and current expenses by counties and all road and school districts, including municipal separate school districts. Homesteads, however, are still subject to all ad valorem taxes levied by municipalities for strictly municipal purposes and to levies of counties, road and school districts, and municipalities for bond and interest payments.

In addition to extending homestead exemption to counties and special districts the law increases the amount of the exemption from $2,500 to $5,000. In rural areas homesteads may consist of 160 acres provided the land is used strictly for agricultural purposes. If, however, the principal occupation of the owner of a rural home is other than farming, the area that may be exempted is limited to five acres. In municipalities where dwellings are located on land regularly platted in blocks and lots, homesteads are limited to contiguous and adjoining lots. On unplatted lands in municipalities, the area limitations applicable to rural homesteads are effective.

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[1] National Association of Assessing Officers, *Exemption and Preferential Taxation of Homesteads*, Bulletin No. 20, April 15, 1938, p. 1.

[2] *General Laws of Mississippi*, 1934, chapter 191.

[3] *Ibid.*, extraordinary session of 1935, chapter 22.

[4] The provisions of these laws may be found in *Mississippi Code, 1938 Supplement*, sections 217-257; 325-369.

Certain other limitations are imposed by the act. For example, the homestead must be owned and occupied by the head of a family who is a natural person and a resident of the state. The occupant must hold a fee title or an estate for life, or hold school lands under certain types of leases in order to qualify for exemption. No homestead conveyed to any person after July 1, 1938, unless by bona fide gift, shall be eligible for exemption unless at least 10 per cent of the purchase price is paid.

The land designated for the homestead must be "about and contiguous" to the land upon which the dwelling stands. In order to take full advantage of the exemption offered, however, the owner of farm land or of unplatted lands may select an additional tract or tracts of land nearest that on which the dwelling is located, and he may include land in an adjoining county. No owner may select additional land, however, the nearest boundary line of which lies more than five miles from the dwelling house on the homestead.

LOCAL UNITS REIMBURSED

The homestead exemption law provides that local units are to be reimbursed for any losses in revenues due to the exemption of homesteads. The amount of such reimbursements, however, is restricted in several respects.

In the first place, no local unit can be reimbursed for any tax loss that may result from tax levies in excess of the statutory limit.[5] Furthermore, prior to September 1, 1940, no local taxing unit may be reimbursed for any tax loss on levies made after the passage of the act that are in excess of the levy made for maintenance purposes in 1937. If, however, any taxing unit failed to levy a maintenance tax for 1937 or if the maintenance tax levied was less than the average levy made by taxing units of its class in that year, it may levy such a tax and be reimbursed for tax loss to the extent of the average maintenance tax levied by similar taxing units in the state. A similar provision exists for taxing units created after the passage of the act.

Reimbursements are to be made to local units upon the basis of certificates of tax loss filed with the State Tax Commission by county and city clerks. A separate certificate is to be made and executed for each taxing unit and is to contain, among other things, the value of all taxable property in the taxing unit, the number and total assessed value of the homes exempted, the tax levies by purpose, the total tax for maintenance lost through exemption and for which application for reimbursement is made, the total amount of taxes for maintenance levied against non-exempt property, and the total amount of taxes levied for debt and interest.

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[5] This provision of the law has had the effect of reducing tax rates in a number of counties and districts where the levies exceeded the maximum allowed by law. "Instances of reductions of one and two mills to bring levies within the legal maximums were widespread and common among the numerous counties and districts when the rates for 1938 were set." State Tax Commission, *Preliminary Report on Homestead Exemption for 1938 and the Operations of the Homestead Exemption Division of the State Tax Commission,* Jackson, February 28, 1939, p. 9.

The State Tax Commission reviews these claims of revenue losses and certifies to the state auditor the proper amount to be reimbursed to each local taxing unit. The amount thus certified is paid to the local taxing units in two equal installments, the first on March 1st and the second on September 1st. A part or all of the second installment for school maintenance purposes, however, may be paid on June 1st if the county or school district concerned submits to the commission a certificate of necessity showing immediate need for such funds.

EFFECT UPON TAX BASE AND REVENUES

According to a recent report on the actual operation of the homestead program,[6] the 1938 tax base was reduced by $118,595,172. This amount is equal to almost a third (31.1 per cent) of the realty assessment and equal to 21.4 per cent of the total assessed valuation of all taxable property in the state in 1937.

As might be expected, the proportion of the tax base lost through exemption varies widely between the counties.[7] Tunica County, for example, with a reduction of 7.9 per cent in total assessed valuation, suffers the least tax base loss of the state's eighty-two counties. In Ittawamba County, on the other hand, the reduction in total assessed valuation amounts to 46.1 per cent. Four other counties incur losses in tax base of 40 per cent or more. Distribution of the eighty-two counties by percentage loss in total assessed valuation appears in the tabulation below.

Number of Counties	*Percentage Loss*
1	Under 10 per cent
9	10 to 15 " "
15	15 to 20 " "
24	20 to 25 " "
13	25 to 30 " "
11	30 to 35 " "
4	35 to 40 " "
5	40 or more " "

Of more significance, perhaps, than the loss in tax base is the effect of the program on the revenues of the state and local units. The state, with a levy of six mills, will receive $711,571 less from the general property tax than it would if homestead exemption did not exist.[8] Claims for reimbursement for 1938 tax losses by local units total $2,923,961, an amount equal to 22.3 per cent of the maintenance taxes levied by the local units during 1937. Since the state is to reimburse the local units for this loss, the homestead program will cost the state of Mississippi more than $3,500,000 a year. Of the amount to be paid to local units, counties will receive 60.9 per cent, special and municipal separate school districts 31.0 per cent, and special road districts 8.1 per cent.

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[6] State Tax Commission, *op. cit.*

[7] In estimating the percentage loss in tax base of the various counties 1937 assessments are used.

Loss in property tax revenues of counties due to exemption shows wide variation. For example, the proportion of county taxes lost by exemption (based upon maintenance taxes levied on 1937 assessments) varies from 6.7 per cent in Tunica County to 47.6 per cent in Walthall County. Distribution of the eighty-two counties on the basis of percentage of taxes lost through exemption is shown in the following tabulation:

Number of Counties	*Percentage of Maintenance Taxes Lost by Exemption*
3	Under 10 per cent
12	10 to 15 " "
19	15 to 20 " "
21	20 to 25 " "
11	25 to 30 " "
10	30 to 35 " "
3	35 to 40 " "
3	40 or more " "

Although estimated losses are not available for individual road and school districts, averages on a county basis are similar to county losses.

The state is faced with the important problem of providing funds for reimbursing local taxing units for revenue losses incurred under the homestead exemption program. The Governor has suggested that a part of the funds be provided by maintaining the state general property levy at six mills rather than reducing it to four as permitted by law. Also, additional state revenues are to be secured by an increase in excise taxes on smoking tobacco and on light wines and beer. If these sources fail to provide sufficient revenues, the Governor has suggested that maturing bonds be refunded in an amount sufficiently large to provide the remaining funds.

EXEMPT HOMES

Exemption from 1938 taxes was claimed by a total of 149,030 homestead owners. The exempt value of these homesteads averaged $796. Pearl River County, where 1,573 home owners claimed an average exemption of $311 per home, reported the lowest assessed values for exempt homes. The highest assessed values of exempt homes were reported by Sunflower County, where the average exempt value for 1,291 homes was $1,943. There were fourteen counties besides Pearl River County in which the average valuation exempted was less than $500. On the other hand, the exempt assessment exceeds an average of $1,500 per home in five counties.

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[8] The additional loss in state revenues due to raising the homestead value from $2,500 to $5,000 was not great. In 1937, with a levy of four mills, the state lost approximately $408,000 in revenues from the property tax.

The principal argument used in urging the adoption of the homestead exemption program in Mississippi was that it would increase the number of owner-occupied homes in the state. In his message to the legislature called to consider the program the Governor said: "One of the prime objectives of the homestead exemption now proposed is the encouragement of home owning and home building." Similarly, the act states that its purposes, in addition to encouraging home ownership, are "to preserve a contented and law abiding citizenship, and to give additional security to family groups."

While the slogan "encourage home ownership" has been used rather effectively to secure the passage of homestead laws in other states, it has not been conclusively proved that homestead exemption has stimulated or facilitated home ownership to any great extent.[9] "Other conditions are probably much more important in increasing the number of owner-occupied homes than taxes; for example, the interest rate, the home mortgage credit system, unlimited privilege of owners to mortgage their homesteads, lack of effective zoning and community planning in both country and city, insecurity of occupation and employment, and the operation of the property tax system in placing relatively higher assessments on residential real estate than on other kinds of property."[10]

Another argument often used in support of homestead exemption is that real estate, especially residential and farm properties, bears a disproportionate share of the tax burden and that tax exemption of homesteads offers a means of equalizing this burden. Under the program as adopted in Mississippi, home owners receive substantial reductions since a $5,000 exemption completely exempts most of the owner-occupied homes in the state.[11]

The cost of these benefits to home owners, however, is borne by the owners of non-exempt property and by tenants. Business and other non-homestead property is subject to the same levies of local units as before and is subject to an increased levy by the state. The tenant is penalized through existing sales and excise taxes, because any increase in such taxes to replace the revenue lost through exemption increases his burden.

There is another possible effect of the homestead exemption program that apparently has received scant attention by the local units. The reliance of local units upon the state for a sizable portion of their revenues gives the state considerable control over local finance. This will undoubtedly lead to greater control by the state over local functions, particularly if the state encounters difficulty in providing funds to reimburse local units.

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[9] Cf. Tax Study Commission, State of Michigan, *Report of the Tax Study Commission,* Detroit, January 30, 1939.

[10] Raymond D. Thomas, "The Effects of Homestead Exemption," *Proceedings of the National Tax Conference,* 1935, pp. 111-112.

[11] See State Tax Commission, *Report of a Survey of Homesteads in the State of Mississippi (as of 1937 Assessment Records),* Jackson, June 20, 1938.

Fortunately, homestead exemption in Mississippi has not been embodied in the constitution. Consequently, if it is found that its benefits do not justify its cost to the state, modifications and amendments can be made by legislative action. The trend, however, has been toward increasing the scope of homestead exemption rather than restricting it. Since the amount of the exemption now granted totally exempts most of the homes in the state, about the only way in which the program can be extended is to include exemption from municipal taxes.

PLANNING

(Continued from Page 347)

twenty principal reports published by the commission.

In collaboration with the director of the Bureau of Real Estate of the Board of Estimate, the commission has worked out a master plan procedure relating to sites for public buildings which many believe will forever banish that bane of zealous public officials, the condemnation and land purchase racket. Often in the past a city department would go out on its own and look for a site and for reasons peculiar to itself choose a specific location, all of which enabled the owner to hold up the city on the question of price.

Under the new procedure the agency seeking a site confers informally with the staff of the master plan division and furnishes details of its needs. The commission then selects an area agreeable to the agency, usually several city blocks. This area is adopted as part of the master plan after due hearing. The Bureau of Real Estate then advertises in *The City Record* that the city intends to purchase a site within such an area, giving necessary details. Thus all owners and agents, some of whom might otherwise remain unknown, have an opportunity to make offers and the city has the benefit of competitive bidding and is able to make a fair purchase at the current market price or better.

It is hoped that this picture of the first year of the New York City Planning Commission will show the foresight and completeness with which the drafters of the new charter intended to make the commission a well implemented and powerful planning agency. Through the linking together of map changes, master plan, zoning, subdivisions, and capital budget, it is to be hoped that the commission over a period of years may bring more order with less proportionate expense to the future growth and development of New York City into a better and happier place to live.

The Manager Plan for the Nation's Capital?

By CEDRIC LARSON, *Washington, D. C.*

Recommendations made as a result of recent survey include a small council to formulate legislative policies, with an "appointive district administrator" under whose control would be placed some seventeen departments.

WASHINGTON, D. C., is constitutionally a stepchild of Congress. The constitution authorizes that body "to exercise exclusive legislation in all cases whatsoever over such district (not exceeding ten miles square) as may, by cession of particular states and the acceptance of Congress become the seat of the government of the United States."

In the almost seven score years that the District has served as the capital of America, it has enjoyed varied types of municipal government at the hands of Congress. The setup in effect today was passed in 1878. In brief, it provides for the creation of a municipal corporation by the name District of Columbia whose governing authority is comprised of a Board of Commissioners, three in number. Two of these commissioners are residents of the district appointed by the President with the advice and consent of the Senate, while the third is an officer belonging to the Corps of Engineers, U.S.A., who is "detailed" by the President to act as engineer commissioner. The two appointive commissioners enjoy three-year terms; the engineer commissioner usually is restricted by army rules to a four-year term (time limit on special detail).

The Board of Commissioners, besides functioning as a plural executive, enjoys quasi-legislative and quasi-judicial powers to a limited degree. The municipal corporation performs all the duties ordinarily exercised by county, state, and municipal governments. But many governmental functions are delegated to federal departments, bureaus, or establishments over which the commissioners have no authority or even remote control. The municipal corporation act of 1878 represented, of course, an efficient attempt in the "reconstruction era" to give the district a better government, but it has not been modified sufficiently to give it flexibility to meet changing conditions.

The district's present "system" of government, like Topsy, "just growed" and is in no sense an application of scientific or businesslike principles to meet the needs of a population within the district's boundaries of 600,000 with an additional 200,000 people in satellite communities.

There has been a growing dissatisfaction during recent years with this horse-and-buggy type of municipal administration surviving in a machine age in the nation's most important political metropolis.

The fact that natives of the District of Columbia do not enjoy the franchise has been a further cause for disaffection for a large part of the 200,000 residents who make their home in Washington and who were born there. Newspapers, such as the *Washington Evening Star,* have campaigned energetically over a period of years for a vote and voice in the halls of Congress as well as in the affairs of the city.

The cry for reform became so articulate of late that it could scarcely be ignored, and members of Congress finally turned their attention to the matter of revamping the district government in earnest.

The whole matter simmered down to a thoroughgoing survey of the district and specific recommendations for proposed alternate forms of government by a competent authority. Two or three previous attempts in this direction merit mention here. In 1928 the Institute of Government Research of the Brookings Institution published *The District of Columbia: Its Government and Administration*, by Dr. Laurence Frederick Schmeckebier. The following year a shorter Brookings study appeared, entitled *The Government and Administration of the District of Columbia: Suggestions for Change,* by Dr. Schmeckebier and W. F. Willoughby.

In 1937 Senate Document No. 12 (75th Congress, 1st session), entitled *Fiscal Relations between the United States and the District of Columbia,* an exhaustive study of the subject, appeared. This is the so-called "Jacobs Report," made under the direction of J. L. Jacobs. This survey was widely studied by Congressmen and citizens of the district and focused attention on the need for revising the fiscal relationship between the federal government and the district, which is, of course, only one phase of municipal reorganization.

NEW SURVEY MADE

Decisive action on a survey of the district government, with recommendations for change, was begun in 1938 at the instance of Hon. William H. King and Hon. Jennings Randolph, chairmen of the Senate and House Committees on the District of Columbia, with the active support of Hon. Ambrose J. Kennedy, who conceived the survey. Mr. Kennedy was already the author of a reorganization plan of his own, and still another had been drafted by E. Barrett Prettyman, former district corporation counsel, who headed a committee for this purpose selected by the commissioners of the district themselves.

The firm of E. O. Griffenhagen & Associates of Chicago was finally retained for this important job. This company has specialized for twenty-seven years in giving counsel and assistance to public officers, legislative committees, and citizens' societies for more efficient government.

On February 4th of this year a preliminary report entitled *The Organization of Government for the District of Columbia: Suggestions for Simplification and Modernization in the Administrative Structure,* with a Government Printing office imprint (86 pages) was published, giving the public the first glimpse of the recommendations. With some changes this document was reissued on March 25, 1939, as a House Committee Print.[1]

The report states with respect to the subject of Congressional control: "The Congress cannot, under the constitution, surrender the right and power to govern the district, but it can delegate some of its powers. However, it has not, in fact, drawn the line very clearly, and has not drawn it at all consistently, between the powers and duties it has delegated to the municipal corporation, those that it has delegated to other agencies to be exercised within the area, and those that it has retained."

According to the Griffenhagen plan the district's system of commission government, now about sixty years old, would be discarded. There would be substituted for it a chief executive officer called the district administrator, with a council to formulate legislative policies, and some seventeen civic departments.

The administrative officer would be appointed either by the council or by the President on the council's recommendation, with a remuneration of about $15,000 a year. According to the report, he "should be appointed on the basis of his qualifications to manage the operations of a large municipal service and should serve without term during the efficient and satisfactory performance of his duties, subject to removal for cause by the appointing authority. . . . He should be responsible to the governing body for carrying out, through the administrative departments, the policies determined by the governing body. . . . He should be empowered to appoint the heads of the administrative departments to serve during efficient service."

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[1] 76th Congress, 1st session, *The Organization of Government for the District of Columbia.* Letter from Griffenhagen & Associates, transmitting to the Chairmen of the Committees on the District of Columbia of the Congress Suggestions for Simplification and Modernization in the Administrative Structure of the Government for the District of Columbia.

Legislative authority would rest in a small council or assembly—or the present Board of Commissioners with increased ordinance-making powers and "preferably with an enlarged membership." This body would have no executive power but would be strictly legislative. Method of selection of the council would be left to Congress. Compensation would be on a part-time basis.

DEPARTMENTS UNDER MANAGER

The seventeen administrative departments under the proposed plan would be: finance, personnel, revenue, law, education, libraries, police, fire, public utilities, insurance, occupational standards, unemployment compensation, health, public welfare, public works, parks and recreation, and title records. Of the sixty-five existing bureaus and agencies, many would be abolished, some would be consolidated, while still others would be incorporated within the seventeen new departments.

Each one of the seventeen departments would be headed by a single individual, appointed by the chief administrator. A few of the departments would have boards or commissions chosen by the council, and would perform such duties as appeal, policy-fixing, or approval of regulation. The director of schools and the director of libraries would be aided by an advisory committee if desired. The parks, activities of a recreational nature, and public playgrounds would be placed under the jurisdiction of a department of parks and recreation, which would be charged with their upkeep as well as "the administration of a comprehensive program of recreation."

It was also recommended that the budget bureau be divorced from its present authority over municipal expenditures, and that a simplification of the budget-making machinery be substituted. The report states, in this connection, that "it would be desirable to appropriate for only the major classes of expenditure in the several departments," but recommends that Congress enact a "code of financial administration," to contain provision for making the district department of finance accountable for details of the financial structure on which the amounts appropriated were established.

It was urged that the yearly payment ("lump sum") of the federal government toward district expenses be arrived at "according to whatever formula may seem fair," and that the lump sum be determined for at least a quinquennium in advance. In deciding the amount of this federal contribution the report stated that all direct services provided by the district to the federal government, and vice versa, be taken into consideration. It was suggested that the interchanges of services between the federal government and the district be to a large degree on a contractual basis. It was estimated that the amount which could be reimbursed to the district on such a basis would probably be in the neighborhood of two million dollars annually.

The whole essence of the Griffenhagen plan is the separation of legislative and administrative functions—under the existing plan they are ill-defined and overlap considerably.

The Griffenhagen plan has received a good deal of publicity and comment pro

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The Researcher's Digest: May

"Born to Blush Unseen"
Minnesota Research on Employment
Economizing in Providence
Dayton Still Seeks Improvement

IT IS axiomatic to the staffs of research bureaus themselves, but far less appreciated among even the informed sections of the public, that the real work of a municipal research bureau does not consist in merely publishing thoughtful summaries or analyses of current affairs. That this department has been weighted with news of such research summaries is, in a sense, proof of the effectiveness of the other activities of the bureaus. A research bureau, occupied a large part of the time in rendering behind-the-scenes assistance to city officials who are desperately in need of non-political information and advice, may not publicize the real results of its work. The official must take the credit; the bureau is, by definition, an organism without vanity.

The annual reports of the research bureaus, the 1938 editions of which have recently been made available, do give an inkling of the scope of a typical bureau's activities. **The Buffalo Bureau,** for instance, devotes only about a fifth of a nine-page report to publications, although it published six mimeographed bulletins and fifty-two issues of a weekly leaflet, besides a good deal of newspaper publicity. Its principal activities included the membership of staff persons on four important official Buffalo committees, and the giving of advice and aid to citizens and officials on at least twenty separate matters of local governmental importance including finance, sewage disposal, education costs, county government, etc., etc.

The Bureau of Governmental Research of the Indianapolis Chamber of Commerce directed toward the sixty-one-day session of the recently adjourned Indiana General Assembly a series of legislative digests, analyses, recommendations, and drafts of proposals. It was greatly concerned with relief bills, backing a bill to institute in the poor relief machinery the principle of budgeting money through regular appropriating bodies, and another to divorce politics and relief. Both bills were bitterly fought by special interest lobbies and politicians, the Bureau reports, and were therefore defeated. The Bureau's concern with relief and the dangers of relief borrowing has led it also to undertake a study of township poor relief indebtedness as a preliminary step in the groundwork for the Bureau's annual study of local budgets and tax levies in Marion County. The work is now in progress.

A financial crisis in the city government and a movement for the adoption of a new charter gave the **Philadelphia Bureau** plenty to do in 1938. It gave assistance on many phases of the work of drafting the new charter, which incorporates many of the improvements which have long been advocated by the Bureau.

Some research bureaus may never come out in print with anything. This does not mean that their staffs are battening idly on the members' money, but that they are too busy being privately useful to public officials.

The Economic Basis of Government

A grave warning that both population and employment trends in Minnesota are downward, sounded by the **Minnesota Institute of Governmental Research,** may have serious implications for state and local government.

While Bulletins 9 and 10 (February and April 1939, respectively) make no specific mention of the relationship of the findings they contain to effective government or its cost, an alert governmental planning agency could comprehend immediately the deep influence of a decline in population or economic wealth on the ability of future taxpayers to amortize the debt contracted *now,* and on the need for schools, parks, roads, social services, or any one of the services of the government.

In at least one large American city, a city synonymous with growth and power and wealth, the Board of Education is already grappling with the problem of readjusting its school program to tie in with a prognosticated decline in school population in the next twenty-five years. Estimates made only a few years ago predicted the opposite trend, so that, till now, school building budgets may have been seriously in error. The new program will certainly have an important, perhaps immediate, influence on the tax bills of the man in the street, while the same man may also suffer serious tax consequences of previous wrong estimates.

Bulletin No. 9 of the Minnesota Institute deals with an *Analysis of Recent Economic Development in Minnesota on the Basis of Occupational Employment Statistics.* Having determined in a previous study that the population of the state of Minnesota would cease to grow within twelve or fifteen years, and that 75 per cent of the area of the state has already reached its maximum population or is now declining, the Institute set out to discover whether the trend could be slowed or reversed by increasing migration into the state. This depended, in turn, on the status of industry and agriculture in the state, and their capacity to grow and attract and support new population.

Bulletin No. 10 deals specifically with *Minnesota and the Agricultural Situation* and constitutes a further exploration into the same subject.

Part of the significance of these studies lies in the fact that they were made by an agency which declares itself to be "A fact-finding organization designed to assist legislators, state officers, and citizens in solving problems of government. . . . The primary purpose of the Institute is to assist citizens and officials in obtaining effective state government at a reasonable cost."

To delve so deeply into the economic and sociological springs of government is a comparatively rare exercise among governmental research groups, which have, to be sure, been finding plenty to do in fields more obviously related to day-to-day government. Nevertheless, the trend to the kind of research which is exemplified in these Minnesota reports should be enthusiastically applauded.

The two Minnesota reports constitute a detailed study bulwarked by excellent tables and charts. It is concluded that "the facts presented in the foregoing discussion leave little reason to believe that in the near future Minnesota agriculture will offer employment to additional workers. The era of agricultural expansion in this state is past," while at the same time "inasmuch as the tangible wealth-creating groups all declined in relative importance as measured by employment, it is highly questionable whether the economic trend in Minnesota is on a sound basis. . . . Minnesota had probably reached a saturation point of employment in most occupations in 1930. The large amount of migration to other states at that time warrants such a conclusion. Business conditions since 1930, while unusual, indicate no change for the better. It is thus apparent that Minnesota must take positive and aggressive steps if greater employment opportunities are to be made available."

Taking the Edge Off a Survey

The Providence Journal devoted a full page to Bulletin No. 49 of the **Providence**

Bureau, titled *Opportunities for Economizing in Providence City Government.* The report was intended as background for a proposal before the city council that outside experts be retained to conduct a general survey of the city government.

"Too frequently consulting service is employed with the idea that economies will be drawn from the hat like rabbits," remarks the Bureau. "Unless it is thoroughly understood beforehand that the survey will recommend many dismissals and that several traditional practices be abandoned, the city might as well save the cost of the survey."

The review is intended "to indicate the type of recommendation that might be expected in any survey, and to promote a general understanding of the basic factors which influence the cost of government in Providence."

Among the economies advocated are a policy of not hiring new men in police and fire departments, increasing the pupil load of school teachers, and improved administrative organization in the public works department, which "long has been viewed as a fair field for political exploitation."

Virtuous Dayton

What does a research bureau do in a city where, to quote a recent newspaper report, "good government is a habit?" After twenty-five years the city manager plan has become as basic in Dayton as the very right to vote, while the city's chief worries apparently stem from the county, which is still unregenerate, and a constitutional tax limitation.

The **Dayton Research Association,** however, in the good American tradition, must have adopted a star to which to hitch its wagon. A thirty-nine-page report, dated February, is titled *The Controlling Principles of a Plan to Improve Local Government.*

There is a calm discussion of the depression trends in municipal government, the new factor of relief, and farsightedly, a program to be followed in future years. The emphasis of the report is not on governmental inefficiency or unresponsiveness, but on the need for re-evaluation by the citizen of just what he wants of his government, which services he will want stressed in coming years, and what shall be the financial techniques employed.

It must be peculiarly satisfying to a citizen to be able to enjoy the luxury of a long-range point of view such as is suggested by the Dayton Association, without worrying inordinately about spoils grabs which might be going on now under his very nose.

Research Bureau Reports Received

Agriculture

Minnesota and the Agricultural Situation. Minnesota Institute of Governmental Research, *State Governmental Research Bulletin No. 10,* April 1939. 32 pp.

Borrowing

On Looking Before One Leaps—II. Atlantic City Survey Commission, April 7, 1939. 5 pp.

Child Welfare

The Cuyahoga County Child Welfare Board. Citizens League of Cleveland, *Greater Cleveland,* March 23, 1939. 4 pp.

City Charter

The City Charter. Rochester Bureau of Municipal Research, *Municipal Research,* March 1939. 1 p.

Cost of City Government

Annual Costs. Rochester Bureau of Municipal Research, *Municipal Research,* March 1939. 1 p.

The Controlling Principles of a Plan to Improve Local Government. Dayton Research Association, February 1939. 39 pp.

Opportunities for Economizing in Providence City Government. Providence Governmental Research Bureau, March 1939. 7 pp.

Cost of State Government

Economy Manual for New York State Budget. New York State Bureau of Governmental Research. 15 pp.

Merit System

A New Classification and Compensation Plan. Citizens League of Cleveland, *Greater Cleveland,* April 6, 1939. 3 pp.

Philadelphia's Proposed Personnel Agency. Philadelphia Bureau of Municipal Research, *Citizens' Business,* March 28, 1939. 2 pp.

Public Safety

About Policemen and Merit. Detroit Bureau of Governmental Research, *Just a Second,* March 24, 1939. 2 pp.

Public Utilities

Electric Rates (Schools and Homes). Kansas City Civic Research Institute, *Kansas City Public Affairs,* April 6, 1939. 3 pp.

The 50% Increase in Water Rates. Philadelphia Bureau of Municipal Research, *Citizens' Business,* March 21, 1939. 2 pp.

Public Welfare

Public Relief Costs of 1938. Citizens' Bureau of Milwaukee, March 1939. 16 pp.

Transients and Migrants. University of California Bureau of Public Administration, *1939 Legislative Problems,* No. 4, February 27, 1939. 67 pp.

Volume and Cost of Relief, 1938. Rochester Bureau of Municipal Research, *Municipal Research,* March 1939. 1 p.

Taxation

Do New Taxes Relieve the Tax Burden on Real Estate? Department of Governmental Research of the New Jersey State Chamber of Commerce, March 27, 1939. 14 pp.

How Get in County and School Taxes? Kansas City Civic Research Institute, *Kansas City Public Affairs,* March 16, 1939. 3 pp.

Tax Delinquency

An Analysis of Delinquent Real Estate Taxes Paid in June 1937 During Period of Penalty Abatement. St. Louis Governmental Research Institute, *Mind Your Business,* April 1, 1939. 6 pp.

Tax Delinquency in California. University of California Bureau of Public Administration, *1939 Legislative Problems,* No. 14, March 28, 1939. 63 pp.

Transit

The Transit Ordinance. Philadelphia Bureau of Municipal Research, *Citizens' Business,* April 11, 1939. 2 pp.

Voting

The Abuse of the Absent Voter's Ballot. The Citizens League of Cleveland, *Greater Cleveland,* March 16, 1939. 1 p.

EDITORIAL

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physical improvements such as paving and water main projects, motorizing of garbage and ash collection, etc. And, very important to any city in these days, more than fifty new industries were brought to Trenton.

From the material standpoint this doesn't sound like failure. Why, then, did Trenton vote to change?

There were many contributing factors, some of which revolved around personalities and an inferior grade of civic morality. Probably the most destructive influence, however, stemmed from a powerful political boss of another New Jersey city whose attitude toward the entire state of New Jersey is notoriously possessive. This was colored, too, by a feeling of personal resentment toward the Trenton newspapers which from time to time have been courageously critical of a state political machine, and which were supporting the manager plan. At any rate, these political forces were less interested in administrative principles than they were in mending their own fences and destroying a non-partisan citizens' group.

Less than half the qualified voters of Trenton bothered to go to the polls, and opponents of the manager plan scuttled it with only 305 votes to spare out of a total of over 23,000.

So it is evident that the failure, if such there was, rested in a failure of civic leadership or failure of the people to play the part they must play in a democracy under which, by its very terms, government is not automatic.

Odds and Ends from Here and There

Democracy Defined

If Democracy is really "the organization of society on the basis of respect for the individual," it means far more than a government by show of hands. It means protection of minorities; it means respect for the dignity of the human being; it implies a system of justice for all men under law; it implies an honestly informed public opinion so that men may make decisions about their common problems as near to the sunlight of truth as man may hope to approach. George V. Denny, Jr., President of Town Hall, New York, in *Annual Report of the President to the Board of Trustees.*

> *Democracy is a living, vital thing, changing its pattern with the generations, and living because it changes. It has evolved through many centuries; it has known contributions from many races. But if history tells us anything at all about democracy, it is that the way to its achievement is not the way of compulsion but the way of freedom. No state ever became a democracy because it was compelled to be. Democracy is an outgrowth of the voluntary reactions of free people.* Dr. Harry Woodburn Chase, Chancellor, New York University, in *Planning the Future with Youth,* as quoted in *Recreation,* April 1939.

No one can look at the world situation today without recognizing the unique function of education in a democracy where the wisdom, the morality, and the vitality of the state and the freedom, well-being, and happiness of the population rest so directly upon the education of all the people. It may well be doubted if there can be democracy without free education, or anything else but democracy where education is free. Foreword to *Education for American Life,* by Luther Gulick, Director, The Regents' Inquiry into the Character and Cost of Public Education in the State of New York.

Portsmouth Likes Its Manager Government

> *The value of the city manager form of government in Portsmouth has been demonstrated so soundly, so strongly, so conclusively that there can be no successful argument to outweigh it. The people of Portsmouth definitely should retain the present form of government, for their own sake and for their children's.* Editorial on proposal to abandon manager plan, *Portsmouth, Ohio, Times,* March 1, 1939.

Why Not Central Heating!

The progress that has been accomplished in housing is altogether commendable; but we are pulled up with an uncomfortable jerk when we read a report of a dispute between the Department of Health for Scotland and the Lanark County Housing Committee over the question of installing fireplaces in bedrooms of council houses. The Department consider that the burning of fires in bedrooms is undesirable, both in the interests of health and from the point of view of the safety of the occupants. As a result of the "careful consideration" which they have given to the question, the Department appear to have reached the conclusion that a fire in a bedroom may be desirable in the event of illness; so they have magnanimously agreed to fireplaces being provided in one or two bedrooms, but they cannot agree to fireplaces in more than two. . . . Scotland is not quite one of the warmest places on this planet in the dead of winter, and most people who have any knowledge of the conditions would, we think, agree with the view of the Lanark County Council that a fireplace is necessary in every bedroom. The County Council have declined to alter the plans which show a fireplace in every room. Let them keep the home fires burning! For one thing, how could Edinburgh, for instance, maintain her fair fame as "Auld Reekie" (in southern parlance, "Old Smoky") if the Department of Health are going to put a damper on the friendly, cheerful, homely fire! *Municipal Journal and Public Works Engineer,* March 10, 1939.

City Forests as Investments

> *There are in the United States more than 1,500 community forests which contain about three million acres, according to the Forest Service of the United States Department of Agriculture. More than 143,000,000 trees have been planted in these forests. It is estimated that the eventual net return from properly managed forests will range from three dollars to five dollars an acre annually. These forest areas are owned by cities, counties, school districts, and other local units for the production of timber crops, recreation, watershed protection and various other purposes. Public Management,* March 1939.

Recent News Reviewed

States Condemn Their Own Trade Barriers

Idaho Modifies Its Administrative Setup

Manager Campaigns in Many Cities

By H. M. OLMSTED

"Balkanization" of the states of the union, as someone has aptly termed it, has been increasing during the past few years. It has taken the form of hundreds of trade barriers erected by the states under the aegis of taxation or police powers. These barriers, covering a multitude of goods shipped in interstate commerce, are intended primarily to protect and subsidize local producers and distributors from the competition of out-of-state products. In the long run, they react to the disadvantage of the states enacting them, as well as harm the welfare of the national economy.

Many groups have been aware of the existence and danger of such barriers for some time. It was not until recently, however, that a concerted effort was made to publicize them and examine intelligently ways and means of eliminating them. This was on the occasion of the National Conference on Interstate Trade Barriers held in Chicago April 5th, 6th, and 7th by the Council of State Governments.

The council, a joint governmental agency of the thirty-eight states which have established commissions on interstate coöperation, was requested by official representatives of the several states, meeting last January at its fourth general assembly in Washington, D. C., to take action on this problem. Shortly thereafter a group of experts were invited by the executive director of the council, Frank Bane, to confer with him on procedure to be followed in stimulating interest in the proposed conference and in delimiting the problem, at least for immediate consideration.

The council undertook to study the nature and extent of these barriers. Dr. F. Eugene Melder of Clark University, pioneer in interstate trade barrier research, joined the staff and prepared a number of bulletins. These were intended for the use of, and distributed to, state officials selected to serve on special agriculture, commerce and industry, taxation, and liquor control committees. Commissions on interstate coöperation, governors, speakers of the state houses, and presidents of state senates were urged to appoint delegates. Various interest groups were notified that they could send unofficial representatives in order that the problems might be reviewed from all angles.

Climaxing these preliminaries, the delegates to the conference gathered for a three-day meeting. Forty-four states and the federal government were represented. Over four hundred delegates or guests attended. Seven governors traveled to Chicago to participate.

Most of the business of the conference was carried on by special committees. Their members first sat behind closed doors and prepared reports and recommendations which were later examined and criticized at open hearings. These reports were then submitted to the state delegates in general session. In addition, series of general resolutions were adopted by the conference. In brief, they expressed unreserved opposition to the erection of discriminatory trade barriers; called for a program of action to bring about their eradication, including direct repeal, the adoption of uniform laws, and reciprocal agreements, the initiation of regional hearings, and the projection of additional surveys and factual studies; urged the council to use its facilities to arrange for conferences upon petition of the states; requested the council to undertake a study to determine the feasibility of interstate compacts in attaining the general objectives; and declared approval of the Congressional investigation of freight rates and urged continued effort in arriving at an equitable basis for the United States.

Leading speakers at the various sessions and dinners included Governors Robert L. Cochran of Nebraska, president of the council, Lloyd C. Stark of Missouri, Carl E. Bailey of Arkansas, and M. Clifford Townsend of Indiana; Robert L. Jackson, solicitor general of the United States, Hon. Harold C. Ostertag, chairman of the council, Fred I. Kent, chairman of the Commerce and Marine Commissions of the American Bankers' Association, and Henry F. Long, commissioner of corporations and taxation of Massachusetts. Although they did not address the formal gatherings, Governors Hugh L. White of Mississippi, Homer A. Holt of West Virginia, and Julius P. Heil of Wisconsin actively participated.

Perhaps the keynote of the conference was rung by Governor Cochran when he emphasized to the assembly "that any problem of government which can be met as well or better by the states should be met by the states. . . . Interstate trade barriers are the creation of the states, in the exercise of their sovereign authority. By the exercise of that same sovereign authority, the states can and I am convinced will solve the problem they have created." It was Governor Stark who pierced the shell of the problem when he pointed out that "it is when we view these trivial irritations in the aggregate, when we sum up the varied antagonisms and retaliatory laws which follow drastic methods of 'protecting' home industries, that we realize how serious this condition might become."

A high note of enthusiasm for what the conference had accomplished accompanied the adjournment. As a result, state delegates are more aware of the implications of trade barriers and their boomerang effects. The public, through the extensive publicity given to the conference, is being informed of the situation, and state governments from now on will begin to probe more assiduously into the meaning and desirability of proposed discriminatory legislation and administration. The conference, in other words, has helped to expose the problem, and as such has opened the way for a return to the traditional policy of free trade among the states.

Thomas S. Green, Jr.
Council of State Governments

Idaho Government Undergoes Extensive Modification

The twenty-fifth session of the Idaho legislature, just closed, has been notable from many points of view. It is the first time since 1928 that Idaho has had a Republican governor and legislature. The new administration was elected on an economy platform, and, in spite of valiant opposition on the part of numerous pressure groups, total expenditures were pared considerably below those of recent years. Budget reductions were quite uniform, no unfair discrimination appears to have been shown.

Considerable substantive legislation of major importance was passed, but the session was significant mainly for the alterations it made in the administrative structure of the state.

Idaho's administrative organization underwent its first major operation in 1919 when some forty-odd departments and commissions were consolidated into nine single-commissioner departments responsible directly to the governor. The consolidation was not comprehensive because it left untouched six constitutionally elective executive officials, a half dozen ex officio administrative boards, some of which exercise important powers, and several other independent agencies which for various reasons were exempted from molestation. No merit system was included in the act.

Of course, this original act has not escaped remodeling in the intervening years; however, until the 1939 session, the dominant pattern of Idaho administrative organization has tended strongly toward integration with numerous and perhaps ever increasing exceptions.

The six major changes made by the legislature just adjourned fall into two groups, the first group conforming to what has come to be more or less accepted as the most workable form of administrative structure, the second departing sharply from that point of view.

Included in the first group are the following: expansion of the budget to include expenditures of all departments and to that end abolition of all "continuing appropriations"; consolidation of tax-collecting functions into a single department; consolidation of the functions now performed by the bureau of budget, the bureau of public accounts, and the claims examiner under a newly created state comptroller, creation of a state police responsible directly to the governor; and the adoption of the merit principle in several departments.

All of these changes are in the right direction, but in several cases they do not go far enough. The bringing together of numerous heretofore scattered taxing agencies did not sweep the slate clean, for half a dozen important taxes are still collected by at least three other departments. The new post of state comptroller is not clearly distinguishable in function from the elective state auditor.

No less than five separate departments provide for selection of employees upon a merit basis under legislation going into effect in 1939. No central personnel agency has been established nor have any facilities for pooling of work or interdepartmental coöperation been provided. It is hoped that faulty apparatus will not produce such disappointing results in Idaho's first essay at the merit system that the movement itself receives a setback.

The second group of changes are the direct result of recent occurrences in several operating departments that have led to rather widespread dissatisfaction. In recent months a growing public sentiment has seized upon the idea of "taking certain activities out of politics" by transferring control from the chief executive to a "non-partisan" board. A well organized campaign by sportsmen groups succeeded in putting through the commission idea for fish and game management by initiative at the general election of November 1938. Influenced perhaps by this incident, Governor Bottolfsen advocated similar treatment for the department of public welfare, administration of workmen's compensation, and the state liquor monopoly, and the requisite legislation was enacted. All the activities mentioned above now function under essentially similar structure; a bipartisan commission with overlapping terms to establish general policy and select a full time director to carry on actual administration.

Certain minor modifications including the creation of a bureau of industrial hygiene within the department of health and the setting up of a noxious weed control commission complete the structural renovation for 1939.

The Idaho legislature, traditionally independent, was in no sense subservient to the Governor, nor did he attempt to drive his program through by cracking the whip, yet the fact remains that the program did go through virtually unchanged. Much of the credit for this must go to the Governor himself and his forthright proposals which were definite, concise, and accompanied by frank statements explaining their justification.

L. H. Chamberlain

University of Idaho

Merit System for New Mexico and Minnesota

A bill establishing a merit system commission in New Mexico, to administer civil service provisions for employees of state institutions, the state police service, and the Port of Entry Board, was signed by Governor Miles on March 13th.

A state civil service act in Minnesota was signed by Governor Stassen on April 22nd. It had previously overwhelmingly passed both houses of the legislature.

A constitutional amendment for the merit system in Kansas will be submitted to the voters at the next general election, by action of the legislature.

A state personnel measure for Georgia, passed by the Senate, was not acted on by the House before adjournment; but the legislature did adopt a civil service law applicable to the city of Atlanta.

Other states where civil service acts were dealt with, according to the April *News Letter* of the Civil Service Assembly, included North Dakota, where a state civil service bill was passed by the Senate but postponed indefinitely by the House; Indiana, where a bill to place institutional employees under the personnel division of the department of welfare received a vote of twenty-two to eighteen in the Senate, but failed to secure the necessary constitutional majority; Oklahoma, where the House defeated a state civil service measure sixty-two to thirty-seven; Arizona, where a proposed state act lost in the House by a tie vote; and Iowa, where the House approved a merit system for state highway commission employees.

The merit system in Wisconsin, which was established in 1905, may be in jeopardy, as indicated by the statement, "I am still of the opinion that to the victors should go the spoils," reported to have been made by Governor Julius P. Heil, who also stated, however, "We still have civil service and it must be respected." Governor Heil is also reported to have asked that the budget of the Civil Service Bureau be reduced to $42,500 —a slash of $25,000. One explanation given was that the total number of state employees was to be radically reduced.

Four-year Terms for New York Senators

Both houses of the New York State legislature have now passed the proposed constitutional amendment to extend the term of state senators from two to four years. The resolution must be resubmitted to the 1941 legislature, and if adopted at that time and approved by referendum, will be put into effect in 1942.

State School for Virginia Police Recruits

The third annual state-wide central police recruit school in Virginia, open to present and prospective county, city, and town police officers, will be held at the University of Richmond for two weeks beginning June 12th.

New Election Code for Illinois Completed

A proposed new election code, drafted by a special five-man commission created by the legislature in 1937, was submitted to Governor Henry Horner and Illinois legislative leaders April 18th. The proposal includes: abolition of absentee voting; creation of a single county unit for all elections except in cities that have adopted the city election act; consolidation of all elections so far as constitutionally possible; creation of a single precinct system; adoption of a registration plan applicable to all sections of the state; and elimination of all special elections where possible.

Departmental Reorganization for Winnipeg

According to the Winnipeg (Manitoba) *Free Press* of March 22nd, reorganization plans creating three new civic departments and eliminating six existing departments by mergers, were presented by the Goldenberg commission in its report on the financial position of Winnipeg. Appointment of a personnel officer in charge of staff changes, coördination, and conditions of employment, was also recommended.

The proposed new departments would be public works, public welfare, and public utilities. The change would reduce the number of civic departments from sixteen to thirteen.

The commission paid tribute to the calibre of civic officials now serving Winnipeg. It rejected proposals that Winnipeg adopt the city manager system, and stated that a large measure of coördination of activities now exists by virtue of the active exercise of its powers of control by the all important finance committee of city council.

Winning Cities in Health Contest

In the city health conservation contest sponsored by the Chamber of Commerce of the United States and the American Public Health Association, in which awards are made for effectiveness in meeting health problems, the winners for 1938, announced on April 19, 1939, were, by population groups: Over 500,000, Cleveland; 250,000 to 500,000, Providence; 100,000 to 250,000, Grand Rapids; 50,000 to 100,000, Newton, Massachusetts; 20,000 to 50,000, Plainfield, New Jersey; under 20,000, Englewood, New Jersey. In a special contest for tuberculosis control Hartford, Connecticut, and Newton, Massachusetts, tied for first place; the winner of a special contest for syphilis control was Louisville, Kentucky.

Cities Expand Municipal Services

In the group of cities of more than 10,000 population at least 169 added new city activities or services within the last year, while only eleven cities in this population class discontinued one or more regular activities, according to a report by the International City Managers' Association.

Forty-six more cities reported sewage disposal or treatment plants than in the previous year. Municipal refuse or garbage collection service was established in eight cities, while eight others acquired new water works systems. Two cities purchased privately-owned systems. Swimming pools or bathing beaches were provided for the first time by eleven cities. New parks were established in seven cities, and recreation departments set up in seven more. Four cities constructed municipal stadiums, and two set up city museums. Public libraries were established in four cities. Three cities created health departments.

Municipal governments paid their employees more than one billion dollars in salaries and wages last year, an increase of more than $30,000,000 over 1937, according to the association. In its survey of 777 cities over 10,000 population, it found that 518,607 employees of these cities received most of this sum at an average wage of $1,740 per person. This was a $50 per person increase over the 1937 average but $80 per person short of the 1936 average. The survey covered all employees except those of schools.

Survey Shows Manager Plan Improved Fire-fighting

Sixty fire chiefs who were polled on the effects of the city manager plan on their departments reported that the manager plan had resulted in improved fire-fighting, including such results as better working conditions, higher wages, and modernized facilities. The survey was conducted by the fire protection magazine *Fire Engineering*.[1]

Three City Utilities Operated by New Board in Memphis

With municipal ownership of water, electricity, and gas achieved in Memphis, Tennessee, the city has consolidated administration of these utilities under a board of light, gas and water commissioners, created by the state legislature as an expansion of the previous light and water commission, whose members constitute the first membership of the new board. Its jurisdiction extends throughout Shelby County.

The city commission fixes the salaries of the three municipal utility commissioners. Upon expiration of the present board members' terms, which end two years apart, the city commission will elect their successors, for four-year terms.

The new board will have a full-time president and a vice-president, designated by the city commission. The vice-president may also serve as chief engineer, a full-time position.

The city commission must approve appointment of the chief engineer, secretary, and attorneys. The board will name other officials and employees and fix salaries and fees, excepting those in excess of $5,000 a year.

The board must meet at least once a week. It may fix utility rates, with the approval of the city commission. Monthly operating statements and any other information desired must be furnished the city commission. Separate books and accounts must be kept for light, gas, and water operations.

The board may enter into contracts for purchase of power and gas for periods not to exceed five years without obtaining approval of the city commission, which, however, must pass on any contract for more than $50,000, and must grant permission before the board can issue bonds or notes, or incur debts as a lien on the property.

Louise Gambill
Memphis Municipal Reference Library

British Town Planners to Meet

The Garden Cities and Town Planning Association, of London, England (13 Suffolk Street, Pall Mall), holds its annual conference in Cardiff, Wales, May 26th to 30th. Decentralization is to be discussed, along with other planning problems.

The association has arranged a town planning cruise in the Baltic Sea, visiting

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[1] *Fire Engineering*, March 1939.

Copenhagen, Zoppot, Wisby, Helsingfors, Stockholm, and Kiel, from June 24th to July 7th.

Engineers to Discuss Government and Business

The inter-relations of business and government will constitute the general theme of the ninth annual Economics Conference of Engineers at the Stevens Engineering Camp, Johnsonburg, New Jersey, June 24th to July 3rd, under the auspices of Stevens Institute of Technology, Hoboken, New Jersey. In issuing the call for the 1939 conference, the college is joined by the management division of the American Society of Mechanical Engineers and the New York section of the American Institute of Mining and Metallurgical Engineers.

New York Mayors to Consider Many Problems

Relief administration and financing, handling and disposal of tax-foreclosed land, municipal pensions, review of assessments by courts or some other agency, simplification of tax foreclosure procedure, municipal borrowing, and tax restrictions are among the problems to be discussed at the thirtieth annual meeting of the New York State Conference of Mayors, which will be held at Hotel Niagara, Niagara Falls, June 5th, 6th and 7th.

The fire chiefs, city and village clerks, municipal engineers, and municipal attorneys will hold their annual meetings at the same time and place. Special round table meetings for the discussion of local problems will be held by mayors, aldermen, village officials, municipal attorneys, and managers.

Citizens' Conference to Meet

The first Citizens' Conference on Government Management will be held at Estes Park, Colorado, during the week of June 19th, under the joint sponsorship of the Alfred P. Sloan Foundation and the University of Denver. Its central theme is the quickening of citizen interest in the processes of government. The program is designed to provide a forum in government management (with particular emphasis on local government), which is not limited to the interests of those professionally engaged in the public service, but which will emphasize the share of the lay citizen in the burden and benefits of governmental activities. A copy of the program, together with a statement of its special interest as an experiment in citizen education may be had by addressing the Department of Government Management at the University of Denver, Denver, Colorado.

Manager Plan Makes Progress, Encounters Setbacks

The village of **Ludlow, Vermont,** voted on March 28th to have a manager jointly with the town of Ludlow, which voted favorably on the idea on March 7th.

An ordinance creating the office of city manager, with limited powers, in **Lake Forest, Illinois,** has been adopted by the city council. The city engineer has been appointed manager.

Wilmette, Illinois, on April 18th voted to retain the manager plan, 1,374 to 1,265.

Allegan, Michigan, has voted to revise its charter and has elected a commission of nine for the purpose.

South Euclid, Ohio, will vote June 6th on the manager charter now being prepared by the charter revision commission.

According to the recently enacted statute authorizing a popular vote on the question of establishing a city manager form of government in **Greenville, North Carolina,** a referendum can be held any time within the two years beginning July

1st, at the will of the new Board of Aldermen.

Calais, Maine, on April 3rd voted against adoption of city manager government, 1,465 to 367.

On April 3rd the voters of **Ann Arbor, Michigan,** decided against the election of a commission to draft a new charter for the city. It is expected, however, that council will appoint a charter study committee to make recommendations for possible charter changes.

Sheffield, Alabama, defeated a manager plan charter on May 1st by a vote of 688 to 115.

Legislative Action

Although the enabling act, adopted a year ago, which permits **Massachusetts** cities to adopt "Plan E"—city manager with P. R.—excluded the city of **Boston,** the sponsor of the law, Chandler W. Johnson, is urging that the voters of that city be given the same right. A City Manager League was recently formed in **Springfield** to work for the adoption of Plan E; and **Worcester** is also reported to be interested in the plan. In **Chicopee** petitions are being circulated to place Plan E on the ballot at the 1940 election.

The Pennsylvania Senate has voted favorably on the bill to give **Philadelphia** a city manager-P. R. charter. The bill is now beforeM the House.[1]

A similar bill for **Pittsburgh** has also passed the Senate and is now awaiting now before the House.[1]

A compromise charter revision plan is indicated as to **Providence, Rhode Island,** involving a referendum on the question of creating a charter revision commission and simultaneous election of such a commission if the question is decided in the affirmative.

The bill providing the city manager plan with proportional representation for **Waterbury, Connecticut,** has now passed the House. It is expected that it will be passed by the Senate also and signed by the Governor. The bill provides for a referendum in Waterbury on October 3rd.

The legislature of **Maine** recently enacted a bill permitting small towns located in close or reasonable proximity to each other to combine and employ one town manager to administer their local governments.

On May 2nd the Illinois House of Representatives killed the proposed manager bill for cities of that state by a vote of 69 to 66. Just previous to this vote, the House had amended the bill to exclude Chicago. On April 18th the House, sitting as a committee of the whole, heard advocates and opponents of the proposed enabling act before crowded galleries. Among the advocates were James Weber Linn, professor of English at the University of Chicago and a member of the House; H. V. McCormick, chairman, and Roger Dunn, secretary, of the Chicago City Manager Committee, Mrs. O. N. Foreman, vice-chairwoman of the Illinois League of Women Voters, and Willis J. Spaulding, city commissioner of Springfield and nationally known in the municipal utility field. Opponents included Albert Weisbrod, professor of political science at John Marshall Law School in Chicago; John H. Lyle, former Chicago municipal judge; Joseph Keenan, secretary of the Chicago Federation of Labor; and Michael H. Ryan, attorney, Civil Service Protective Association.

Other Cities Interested

A bill to permit the voters of **Frederick, Maryland,** to adopt the manager plan has been introduced in the General Assembly of the state.

In **Fair Lawn, New Jersey,** a final report expressing belief that the council-manager form of government "would prove of definite value to the electorate of

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[1] See also page 398.

Fair Lawn" was adopted recently by the commission which has been investigating the advisability of instituting the new government in the borough.

Advocates of the manager plan, with a five-member council, for **Clifton Forge, Virginia,** are expecting to submit a petition to the circuit court, calling for an election within the next few weeks.

Petitions to abandon the manager plan in **Ashtabula, Ohio,** have been circulated. Five previous attempts to discard the plan have been defeated by the voters.

The city council of **Modesto, California,** has decided against the holding of an election on the manager plan at this time.

The question of a city manager for **Louisville, Kentucky,** is being discussed; a public meeting was recently held at the initiative of a director of the State Taxpayers' League.

The manager plan is advocated for **Devils Lake, North Dakota,** by Mayor W. E. Hocking. Petitions asking that the city commission place the proposed change before the voters have been circulated.

A permanent organization has been formed in **Pueblo, Colorado,** to further the movement for council-manager government. The nucleus is reported to include some thirty-five prominent business and professional men representative of a large cross-section of the population. An expert survey of the city is being considered.

In **Prince Rupert, British Columbia,** the Chamber of Commerce and the Trades and Labor Council are jointly considering a city manager proposal. Committees of the two bodies are to study the idea and confer with a view to recommending a line of action.

In **Montreal, Quebec,** the possibility of creating a charter revision commission, composed of councilmen and other representative citizens, is being discussed.

Other cities where interest has recently been displayed in the manager plan include **Newark, New Jersey; McCook, Nebraska; Lakeview and Klamath Falls, Oregon; Point Pleasant, West Virginia; Mobile, Alabama; and Laguna, Oroville, and Roseville, California.**

Trenton, New Jersey, Abandons Plan

With only 40 per cent of the voting strength participating, Trenton, New Jersey, on April 11th discarded its council-manager form of government to return to its former five-man elected commission. The vote on the recall petition was 12,619 to 10,925.

The city adopted council-manager government on March 19, 1935, by a vote of 18,623 to 11,676. The original change was the result of a three-year campaign by Trenton's Good Government League.

Constant disagreement between the members of the council and City Manager Paul Morton contributed in a large measure to general dissatisfaction with the system. Morton resigned March 1st after having previously offered to quit in June 1937. The circulation of petitions to recall the council manager government is thought to have prompted his action. Sidney Goldman, city attorney, has acted in the capacity of city manager since Morton's resignation.

Petitions for the recall of the council-manager government had been in the process of circulation for several months prior to the election. Three weeks ago a citizens' committee, known as the Citizens Council, was organized to fight the movement, but their efforts in that direction were begun too late to be effective.

Claude Pray

Columbia University

Kentucky City Prospers under Manager Plan

The first year of city manager operation in Hazard, Kentucky, where the plan went into effect January 1, 1938, showed a saving of more than a thousand dollars a month, compared to an average year under the former council. Hazard, with a population of somewhat under 10,000, is the first of the smaller Kentucky cities to adopt the manager plan. Improvements effected include reorganization of the police department, retirement of $12,000 of floating debt, installation of modern bookkeeping, purchasing of new equipment, and a better garbage collection system.

Raleigh, North Carolina, to Vote

The North Carolina General Assembly has once more enacted a law permitting the capital city to vote on the adoption of the manager plan. The proposal met with an adverse vote of the people on a prior occasion, but the fact that there was no dissent raised in the legislature may indicate a change of opinion. The election will take place in October or November 1940, and, if successful, the new manager will be installed in office May 1, 1941. Raleigh had a population of 37,379 in 1930 and has been governed under the commission form since 1913.

E. A. Mauck
University of North Carolina

Counties Little Affected by New Legislation

Manager Amendment for Nebraska Constitution

By **PAUL W. WAGER**

Nebraska Would Clear Way for Managers

The 1939 session of the Nebraska legislature has passed a constitutional amendment relating to home rule for counties which will be voted upon at the general election in the fall of 1940. If approved by the electorate, the way will be open for a future session of the legislature to pass an enabling act on county government which would make possible the county manager form. This same constitutional amendment was proposed in the 1937 session but defeated by the organized opposition of county officials.

The people of Douglas County, which includes Omaha, voted overwhelmingly in 1934 for the county manager form of government as provided under the enabling act of 1933, to be effective as of January 1, 1937. Its constitutionality was attacked, however, on the ground that an appointed county manager would be exercising the functions of an elected county official which would be in conflict with a section in the constitution which reads as follows: "The legislature shall provide by law for the election of such county and township officers as may be necessary." The Supreme Court overruled the district court by upholding this point of view, thus making necessary the constitutional amendment as passed in the recent session.

W. L. Pierpoint
Association of Omaha Taxpayers

State Fiscal Agent for New Hampshire County

The New Hampshire legislature this week enacted a law which establishes a unique precedent in this state. By statute it provided for a fiscal agent to administer and control the finances of Coos County. The fiscal agent is to be appointed by the Governor and Council.

New Hampshire counties form a somewhat rudimentary layer of government having only the functions of providing for the relief of the indigent who are without a settlement in a city or town and for the courts. The New Hampshire counties usually maintain almshouses and county farms. Several of them have hospitals for treatment of the aged and indigent.

Lack of response to protests against rapidly increasing county expenditures led to the introduction by the legislators from Coos County of the bill which virtually is expected to supersede the financial powers of the three elected county commissioners by vesting such powers in a fiscal agent appointed by the Governor and Council.

This seems to be home rule in reverse for by it the state recalls from local control in the instance of a particular county powers which are granted to all counties by general law. Needless to say, the nine other boards of county commissioners in New Hampshire will watch with more than passive interest the success or failure of the fiscal agent in achieving tax reduction in Coos County.

Stephen B. Story

New Hampshire Emergency
Relief Administration

North Carolina Legislature Preserves Status Quo

The North Carolina General Assembly adjourned sine die on April 3rd after having enacted important state-wide legislation affecting county government in only one respect. This was legislation designed to eliminate or greatly reduce the amount of fraud in elections. Laws were passed repealing absentee voting in primaries and restricting it in general elections, curbing the amount of assistance rendered to illiterate voters in primaries, and providing for revision of the registration books. There was one minor revenue concession to the counties and cities, namely an increase in their share of the yield of the property tax on intangibles from 50 per cent to 60 per cent.

A bill creating a state department of justice was so emasculated before passage as to leave virtually nothing except the title. An effort to reduce the number of justices of the peace met with no success. Neither did a bill which would have constituted the county boards of commissioners zoning bodies with authority to make a modest beginning in roadside beautification and protection. There was no advance in social legislation, and none in public education except to recognize the mandate of the Supreme Court and make provision for professional schools for negroes. Nothing was done for rural libraries.

While not pertaining directly to county government, it may be reported that constructive legislation was enacted in the field of public health. One new law requires a physical examination before a marriage license can be issued and another requires examination of expectant mothers. Still another requires immunization of all children from diphtheria. Funds were also authorized for an additional tuberculosis sanatorium.

There was the usual grist of public-local acts, that is, acts affecting a single county or a single city. While some were constructive, most concern some detail of organization or administration which ought not to require the action of the state legislature.

Altogether, the status quo was less disturbed by the legislature which just adjourned than by any legislature in many years. This was apparently in keeping with the wishes of the people.

No Clearance for County Government Reform in Ohio

Although the voters of Ohio in 1933 wrote into the state constitution provisions for the enactment of optional forms of county government which any county could adopt by majority vote, the General Assembly still refuses to enact legislation making effective the county home rule amendment. At least one proposal has been before each session since 1933 and two proposals were before the present legislature—one, the Citizens League's bill; the other, the Ohio Institute bill. The latter was "indefinitely postponed" by a unanimous vote of the House committee on organization of state government; and the senate bill is in a comatose condition with little hope of revival.

Both bills provided for two forms of county government:

(a) A county council with an elective chief executive;

(b) A county council with an appointive chief executive (county manager).

Both provided for the appointment of a limited number of heads of departments by the chief executive and the transfer to each of those departments of county functions now administered by the seven or nine independently elected county officials. Both provided for the merit system and a budget plan, and left broad powers of organization to the county council. Both bills provided for a form of government which would make possible many economies and much efficiency in county government.

Counties would not be required to adopt either form, but could continue under the present loose elective system. But the General Assembly refuses to give populous counties the opportunity to simplify their government or to make it more economical and efficient by reorganization.

The chief opposition to both bills were the county officials over the state and the Suburban Mayors' Association of Cuyahoga County.

Consolidation of Tennessee Counties Sought

Residents of Union County, Tennessee, presented a petition to the Governor in April requesting the merger of all of Union County with Knox County (Knoxville). This sets in motion the machinery provided by the 1939 county consolidation act.[1] The petition is said to bear the signatures of approximately eight hundred qualified voters, about twice as many as necessary to meet requirements.

The Tennessee Valley Authority acquired nearly 42 per cent of the area of Union County for the Norris Lake reservoir. Because Union County is predominantly a rural economy, this property accounted for 41.5 per cent of the total assessment in the year prior to TVA land purchases. The taxes on this property amounted to 17.6 per cent of total county revenues. The merger is proposed as a solution to possible difficulties Union County might encounter in performing standard services with reduced revenues.

Lyndon E. Abbott
Tennessee Valley Authority

North Carolina County Seeks Manager

Citizens of Cumberland County, North Carolina, are seeking adoption of the manager plan and a consolidation of the diversified law enforcement elements in the county, with a view to obtaining greater economy and efficiency in government. The success of the plan in other counties is being pointed out by its advocates.

San Mateo's County Executive System Threatened

It is reported that petitions are being prepared for circulation requesting the supervisors of San Mateo County to call a special election on a proposition to abolish the position of county executive by charter amendment. Another group is reported to be seeking outright repeal of the charter and return to general law. Meanwhile the charter study commission is believed to be headed in the direction of the single county utility district plan, or even city-county government like that of San Francisco. Dissatisfaction with the present arrangement springs from the continuous feud between the executive and the board.[1]

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[1] Described in National Municipal Review for April 1939, pages 312-313.

California County Makes Fine Fiscal Record

Six years ago Oakland County was broke. It was worse than broke; it had spent $1,500,000 that didn't belong to it—sinking fund money, and money due the treasurers of the state, townships, and cities. Its bank account was overdrawn fifteen dollars. Today Oakland County has over $1,900,000 in the bank. Most of this it has collected for and owes to other governmental agencies—but the vital point is that this money is all segregated in proper trust accounts—thirty-eight of them. Nor is this all. The county has paid back all but $403,000 of the million and a half of diverted funds, and has enough on hand to pay back another $200,000. Most of the balance of $203,000 remains frozen in closed banks. During the six-year period the county has retired direct indebtedness amounting to $3,200,254, leaving debts of the same character amounting to $2,476,217, to be paid over an extended period of years. Indirect obligations of the county, such as road and drain bonds issued for special assessment districts, townships, and cities, have been paid to the extent of $2,379,490.

These figures are impressive. The taxpayers of Oakland County have every reason to be pleased with the accomplishments of the past six years and we commend those officials responsible for these results of their efforts.

Bulletin, Oakland Citizens League, Inc.

Trial Justice Courts in Virginia

Several years ago Virginia authorized any county in the state to substitute a single trial justice for a multitude of justices of the peace, and in the years since several counties have made the change with very gratifying results. Four years ago the new trial justices, virtually county judges, formed an organization to foster closer association, promote uniformity of procedure, and insure the fullest coöperation with the General Assembly and the state departments. At a recent meeting of the League of Virginia Counties, J. Callaway Brown, president of the Association of Trial Justices, reported on the work of these courts. A few sentences from his address are quoted:

"A trial justice for a county discharges practically the functions of both a police justice and a civil justice for cities. He is also the judge of the juvenile and domestic relations court. It is in connection with the juvenile and domestic relations court that we frequently have our most difficult and trying work.

"The courts over which the trial justice presides are the poor man's courts. Thousands never enter any other court and if justice is not administered to and for them in these courts, then they must suffer the penalties of injustice. In the overwhelming majority of cases the plaintiff, the defendant, and the accused cannot afford counsel and have to depend entirely upon the court for a proper consideration of his or her case. Frequently the court has to act as attorney for the plaintiff, attorney for the defendant, and as judge.

"A trial justice, not being hampered with a jury, while at the same time conducting his court according to proper procedure, can do so more expeditiously and more informally. Consequently he can give his cases a more personal atmosphere, inspiring the confidence of those who have to appear before him. . . . I do not know of any other county or state official who has a better opportunity to render his fellow man worth while service. He is in a position to exercise a tremendous influence in his county towards improving the social and moral welfare therein."

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[1] See "County Manager Government in California," by Robert C. Houston, NATIONAL MUNICIPAL REVIEW, February 1939.

Sales Tax Hits Home Owner

Legislatures Act on Local Finance

By **WADE S. SMITH**

If the home owner were a home owner and nothing else he might find it to his advantage for the state to levy a sales tax in order to reduce real estate taxes. But the average home owner has a family to support, and an extra dollar added to the cost of bread, meat, clothes, medicine, and other necessities makes just as big a hole in his pocket as one spent in paying a tax on his home. If he can be saved a dollar of property tax only by spending two dollars more for the goods he buys, he will be much better off without that kind of tax relief. And that is roughly what it amounts to when the legislature decides to help the home owner by levying a sales tax, according to a recent study of the Tax Policy League.[1]

HOW THE SALES TAX WOULD RELIEVE REAL ESTATE[1]

A taxpayer with			*Would save as result of 3-mill reduction of real estate tax*	*Would pay on 2% sales tax*
Real Estate Valued at	*and*	*Annual Income of*		
$2,000		$1,000	$6.00	$12.18
4,000		2,000	12.00	23.44
6,000		3,000	18.00	29.64
10,000		5,000	30.00	42.90
25,000		10,000	75.00	78.60
50,000		15,000	150.00	95.10

For example, a sales tax at a 2 per cent rate and with no exemptions will not yield anything like enough revenue to offset the entire property tax. It will be sufficient to reduce it by perhaps three mills (if property is assessed at full value).

For a man with a $4,000 home, therefore, it would be possible to reduce his tax bill twelve dollars a year if a 2 per cent sales tax were enacted and all of the yield from it devoted to property tax reduction.

But such a man (who would presumably have about $2,000 a year income out of which he must support a family) would find that the sales tax would cost him approximately twenty-four dollars a year. In other words he would lose just twice as much as he gained.

The sales tax would not be likely to relieve the home owner unless he had property amounting to $25,000 or over, and an annual income of $10,000 or over. Only a small percentage of home owners are in that category.

Professor Robert Murray Haig of Columbia University sized up the situation strikingly a few years ago when he said: "To propose the substitution of general sales taxes for taxes on real estate as a measure of relief for the small man is an insult to intelligence and an affront to common sense."

Arkansas Adopts State Supervision of Assessments

State supervision of local assessments in Arkansas will become an established fact on July 1st following appropriation of

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[1] Tax Policy League, New York City, *The Home Owner and the Sales Tax*.

$60,000 by the recently adjourned General Assembly to carry on this work.

The 1937 session of the legislature passed a law providing for state supervision of local assessments but failed to pass the necessary appropriation act. The law provides for a Tax Department in the Arkansas Corporation Commission, this latter agency being given powers commonly lodged in tax commissions in other states. The state will be divided into seven districts, with one supervisor for each district. The Tax Department will be headed by a chief and will include on its staff a valuation engineer, a tax supervisor, a chief assistant supervisor, and six assistant supervisors.

Plans are being laid to hold an annual state-wide assessors' conference in Little Rock for the purpose of instructing assessors in general phases of assessment work. After the state meeting district conferences will be held at the behest of the district supervisors.

The work is being carried on with the whole-hearted coöperation of the state assessors' association and it is hoped that many of the inequalities now existing in the assessment system can be corrected.

Estal E. Sparlin
University of Arkansas

Maryland Legislature Follows Commission's Recommendations

The revenue act passed by the 1939 Maryland state legislature and signed by Governor O'Conor follows very closely the recommendations made by the Governor's special Commission on Taxation and Revenue. (See National Municipal Review for March 1939.) It is calculated that the taxes provided for in this revenue act will raise $8,500,000 from the following sources:

Tax on beer increased from two and a half cents to three and one-third cents per gallon, increase effective after September 30, 1939;

Tax on liquor increased from $1.10 to $1.25 a gallon, increase effective after September 30, 1939;

Tax on wines increased to twenty cents a gallon, increase effective after September 30, 1939;

Tax on admissions and passes remains 1 per cent on gross receipts, and five cents per fifty cents value of passes;

Tax on cosmetics and toilet articles, now 10 per cent, to be discontinued after September 30, 1939;

Tax on recordation of legal documents to continue at ten cents per $100 of consideration;

License tax on music boxes to continue at $15 per machine;

Tax on motor vehicle title certificates (original titles only) increased from 1 per cent to 2 per cent, increase effective after September 30, 1939;

Tax on race track wagers increased from 1 per cent to 2 per cent, increase effective after August 1, 1939;

Tax on incomes increased from ½ of 1 per cent to 2½ per cent on earned income and 6 per cent on unearned income, to be effective on incomes for the calendar years 1939 and following. The 4½ mill flat rate tax on securities is repealed. To compensate the local governments for the loss of their share of this intangible property tax, a quarter of the collections of the new income tax will be returned to the localities where it was collected. Adjustment is also made in the tax on premiums of all varieties of locally-written insurance policies to compensate for loss of the intangible property tax on the shares of insurance companies.

D. Benton Biser, *Director*
Baltimore Commission on Governmental Efficiency and Economy, Inc.

Nevada Defeats Lottery Proposal

The Nevada state legislature just adjourned was perhaps the most conservative session held in several years. It was distinguished by the comparatively large number of young and previously inexperienced members who gave serious and studied consideration to the legislation proposed, a hopeful indication for the future.

The proposal to enact a law to allow a state lottery passed by the senate was defeated by the votes of the young men in the assembly. Laws were enacted increasing the taxes on insurance premiums, on Diesel oil, and levying a one-cent tax on each package of cigarettes sold. No other measures for producing revenues were passed.

A law to prohibit the assessment for taxation of intangibles was enacted; and a joint resolution to amend the state constitution to prohibit taxation of intangibles, inheritances, or estates was passed. If enacted by the next legislature in 1941 this measure will be submitted to popular vote. The legislature reduced the state levy on real and personal property by more than 20 per cent as compared with the rate of the past two years. The rate fixed of fifty-eight cents per $100 of assessed valuation is the lowest in several years.

On the whole the legislature is to be commended for the things it refused to do.

F. N. Fletcher
Nevada Taxpayers' Association

Centralizing Administration of State Taxes

At least four states, during 1939 legislative sessions, enacted laws to centralize the administration of major taxes, according to the Federation of Tax Administrators. In addition, Colorado centralized administration of six major taxes under a director of finance as part of a general reorganization program.

Proposals for reorganization or centralization were adopted in Rhode Island, Alabama, Texas, and Idaho, the federation said. Similar proposals are pending before other legislatures, including Iowa, Minnesota, and California. In addition, a Michigan tax study commission recommends such administrative changes.

Under the Colorado plan, the director of finance will administer income, motor fuel, sales, service, store license, and use taxes. The administrative agency has four divisions—collection, investigation, audit and control, and claims and funds. Formerly, each was separately administered and collected.

The Idaho Tax Commission is administering eight new taxes as a result of legislative action. Administration of chain store and inheritance taxes was transferred from the commissioner of finance. Five taxes were transferred from the department of law enforcement, and one from the state treasurer.

The Texas legislature, in an effort to strengthen its tax administration, abolished the post of tax commissioner because, through lack of appropriations, it could not perform its statutory duties, and because the comptroller's office already was performing these duties. In Alabama the legislature substituted a single revenue commissioner for a three-man tax commission, while Rhode Island's legislators recently combined the administration of several taxes as part of a general reorganization.

In two states there were changes involving decentralization. Wisconsin shifted the administration of beverage taxes from the tax commission, which had administered eight major taxes, to the state treasurer. Oklahoma changed from a one-man to a three-man tax commission.

Nine states now administer their eight major taxes through one authority. The taxes include property, income, sales, gasoline, inheritance, motor vehicle, tobacco, and liquor levies. The states and the authorities include: Rhode Island, Department of Coördination and Finance; Georgia, Kentucky, North Carolina, and Pennsylvania, Departments of Revenue; Oklahoma and Utah, Tax Commissions; New York, Department of Taxation and Finance; and Tennessee, Department of Finance and Taxation.

"Pay-in-Advance" for Public Improvements

Oregon municipalities may now lay up cash reserves to finance new public improvements under state legislation just passed, the Municipal Finance Officers Association reports.

Enactment of the law, which authorizes serial levies and sinking funds for specific anticipated construction, adds Oregon to a small but growing list of states making this provision during the last year or so.

California passed a law in 1937 permitting municipalities to set aside funds for capital improvements in advance of their purchase or construction. The cities of Topeka, Kansas, Hartford, Connecticut, and Lincoln, Nebraska, have been authorized by their legislatures to adopt the reserve fund plan of financing future improvements. Under its new charter effective in 1938 New York City may issue serial bonds for this purpose, and must prepare a separate budget for capital outlays.

Reserve funds for financing non-recurrent capital improvements are of special advantage to small municipalities, according to a forthcoming manual on local debt management by the association. The plan is cheaper than borrowing because it avoids interest payments. If it does not eliminate borrowing entirely, it reduces the amount of bonds and the term of years for which money would have to be borrowed.

The main danger, the manual points out, is that the fund is apt to be diverted from its original purpose and used for current purposes. In addition, taxpayers dislike to contribute to something from which they do not benefit immediately.

The California and Oregon statutes provide protection against these dangers. The new Oregon law permits counties, school districts, cities, and towns "to levy taxes serially to provide funds in advance for financing the cost of construction, reconstruction, improvement, betterment, repair, or rehabilitation of public building and public works projects."

A majority of the electors of any municipality must approve the tax levy and set its term. In any event the term is not to exceed five years, and levies each year are to be alike. Funds from these taxes are kept separate from other funds and are to be expended only for the purposes for which they were created, unless conditions arise which, in the opinion of two-thirds of the governing body, make further accumulation unnecessary. At this point, the voters must approve transfer of the money to the general fund.

Kentucky Court Voids Chain Store Tax

The Kentucky Court of Appeals has held the state chain store tax unconstitutional on the ground that the classification, based on the number of stores, is arbitrary and unreasonable. This decision by the highest court in Kentucky is of particular interest throughout the country for several reasons:

(1) Chain store taxes based on the number of stores are in effect at the moment in approximately half of the states, and have been sustained by the courts of many of the states—all of them in which the tax act now on the statute books has been attacked. The Supreme Court of the United States has also repeatedly sustained such measures. By its decision that such a classification is arbitrary, to the point of being unconstitutional, the Court of

Appeals has refused to follow precedent established throughout the United States.

(2) The gross sales tax act of 1930, designed to discriminate against chain store operations, was sustained by the Court of Appeals in Kentucky in 1931. Later, on substantially the same record, the Supreme Court of the United States declared the first Kentucky chain store tax law unconstitutional because the classification was arbitrary.

(3) For a number of years the Kentucky court has given a more stringent interpretation to the provisions of the constitution against confiscation than has the supreme court of any other state. Heretofore the court has given the standard interpretation to *reasonable classification.* Indeed, in the case involving the 1930 act, the court said in so many words that the standards prescribed by the Supreme Court of the United States in the decision sustaining the Indiana chain store tax based on number of stores, which the Kentucky court quoted with approval, were exactly the same as those prescribed in Kentucky.

The Kentucky decision on March 21st (*Great Atlantic and Pacific Tea Company vs. Commission*) came to the court on demurrer. Because the decision represents so radical a departure from the viewpoint expressed just prior to the time the present act was drafted, the Department of Revenue will ask for a rehearing. It is of interest in this connection that a majority opinion was concurred in by the same judges who were on the bench at the time the earlier case was unanimously decided. Two entirely new justices dissent from the finding of the majority in the present case. Presumably the way is still open, in the event the court adheres to its March 21st decision, to return to the Circuit Court and try the case on its merits.

James W. Martin

Commissioner of Revenue, Kentucky

Tennessee Legislature Moves to Raise Pay

The Tennessee legislature moved two prospective state constitutional amendments a step nearer adoption but killed a third that provided for a state income tax. Amendments to the state constitution can be initiated only by a joint resolution passed by a majority vote of each house. The measure must then be passed by a two-thirds vote of each house in the next General Assembly, and finally, approval of the electorate is necessary for adoption. No amendments have been made to the present constitution, which was adopted in 1870.

The 1939 General Assembly acted favorably upon two amendments initiated in 1937. One raises the pay of legislators from four dollars to ten dollars per diem and the other extends the term of governor from two to four years and makes him eligible to succeed himself. Amendments to extend the governor's term have been defeated by the second legislature four different times and by the electorate once. The present proposals will go to the electorate for referendum in 1940.

Consistent with action taken during the last several year, a tax moratorium law was passed by the legislature. Taxes for 1937 and prior years may be paid during 1939 without penalty and interest charges, although counties and cities may exempt themselves from the act. A bill to allow tax receiverships of tax delinquent property was defeated.

A proposal to levy a 3 per cent gross receipts tax on TVA power distributed by municipalities was finally dropped, with the expectation that other means will serve to offset revenues that will be lost when the Tennessee Electric Power Company properties are sold.

Lyndon E. Abbott

Tennessee Valley Authority

High Court Approves Taxation of Federal Salaries

Supplementing its ruling of last year when it held that salaries of employees of the Port of New York Authority, a state agency, were subject to the federal income tax, the United States Supreme Court recently sustained the rights of the states of New York and Utah to tax federal officials. The New York case involved the salary of a Home Owners Loan Corporation employee, the Utah case that of the salary of an employee of the Reconstruction Finance Corporation. The position taken was that tax immunity does not extend to salaries unless it can be shown that a measurable burden is thereby placed on the activities of the federal or state governments. In the New York case, Justice Stone cited the fact that the income tax "is not in form or substance a tax upon the Home Owners' Loan Corporation or its property or income, nor is it paid by the corporation or the government from their funds."

An Eventful Month in the Field of P. R.

Philadelphia, Pittsburgh, and Waterbury Bills Pass One House Cincinnati Holds P. R. Vote in June

By **GEORGE H. HALLETT, JR.**

A Solid Press Backs the Philadelphia Bill

On the morning of a final Senate committee hearing at Harrisburg on the Woodward-Shapiro bill to give Philadelphians a chance to vote on the P. R.-manager charter drafted by the Philadelphia Charter Commission, the *Philadelphia Inquirer,* leading Republican newspaper, came out for the bill in a front-page editorial. The Democratic organization of the city and state had previously decided to give the bill solid support. The Republican organization of Philadelphia, allied with the majority party in both houses of the legislature, had just decided tentatively to oppose it, but this editorial, added to the support of the other three large Philadelphia newspapers—the *Evening Bulletin,* the *Record,* and the *Evening Ledger*—and to the almost united support of all Philadelphia non-political organizations with an interest in civic affairs, at once forced a reappraisal of the Republican stand.

Simultaneously it was made clear that if the Republican organization persisted in denying the people a vote on the new charter, there would be a fusion movement against it in the city this fall which would almost surely cost it the mayoralty and elect a city administration on the issue of passing the charter next year.

The *Inquirer* editorial (April 11th) was entitled "Hands Off! Let the People Vote on Charter." It read in part:

> The people of Philadelphia have the right to decide for themselves whether this city is to have a new form of government. To kill off the city charter proposal in the state legislature without permitting its submission to the voters would be a most serious mistake. . . .
>
> The feeling that numerous changes are needed in the basic law governing this city's operations has been widespread. The existing charter, now twenty years old, has been pronounced—and with good reason—to be outmoded and impracticable in many spots and badly in need of thorough overhauling.
>
> Agitation for a change has been fostered by the mishandling over a period of years of the city's financial affairs, the accumulation of deficits, and the annual budget-bungling exploits of an inept City Council. Smothering legislation that represents to many citizens the only practicable means of extricating the city government from its

> present muddle would hardly quell public clamor for reform, but would aggravate it, with wide political repercussions.

Charles H. Woodward, one of the leaders of the Philadelphia City Charter Committee and son of Senator George Woodward, Republican sponsor of the bill in the Senate, recently made public an analysis of Philadelphia elections showing that, although the Republicans elected all twenty-two members of the Philadelphia council at the last council election four years ago and at every previous election since the present charter was adopted in 1919, the vote for other officials at the three elections since 1935 would have given quite different results. The vote in the presidential election of 1936 would have given the Democrats a clean sweep of the council if the council had been elected in that year. In 1937 the Democrats polled a bare majority of the votes in the city, 346,217 to 332,136, but the votes were so distributed by council districts that they would have given the Democrats sixteen members and the Republicans only six. In 1938 the Republicans polled a slight majority, 417,050 to 404,602, but so distributed that it would have elected only ten Republican councilmen to the Democrats' twelve. Mr. Woodward cautions his fellow-Republicans that it may be wiser as well as fairer to rely on the sure justice of P. R. than on the gamble of the present district plurality system.

Postscript. The charter bill was reported by the Senate Committee on Cities without substantial change and passed the Senate on May 1st by thirty-eight votes to eight.

Jay Cooke, leader of the Republican party in Philadelphia, issued a statement before the vote approving the submission of the charter to the people but calling on the people to defeat it.

Governor James let it be known that he would sign the bill if it passed the House of Representatives. The bill calls for a referendum on the fourth Tuesday after its enactment.

The Senate also passed the Pittsburgh bill discussed below by a vote of thirty-eight to eight. This bill calls for a referendum vote in November.

Pittsburgh Also Interested

Although it has received much less attention at this session than the Philadelphia bill, Pittsburgh also has a bill before the Pennsylvania legislature to give its electors the right to decide on a P. R.-city manager form of government. Similar measures have been introduced a number of times in recent years and have received strong popular and newspaper support, but never enough political support to put the bills through the legislature.

The Pittsburgh Charter Committee, sponsoring this year's legislation, recently elected Robert W. Pratt as its chairman and Mrs. R. Templeton Smith, president of the Allegheny County League of Women Voters, as vice-chairman. Other organizations which have supported such legislation in former years include the Civic Club of Allegheny County, the Allied Boards of Trade, the Chamber of Commerce, and the Central Labor Union.

Waterbury Due to Vote October 3rd

On April 20th the Connecticut House of Representatives passed the Waterbury P. R.-city manager bill, amended to set the referendum on adoption for the third of October. Assurances have been given that the Senate will also pass the bill and the Governor sign it in this form.

The amended bill postpones the regular city election this year to November 12th. If the vote on the new charter is favorable, the council will be elected by P. R. on that day and on taking office will proceed to appoint a city manager.

Cincinnati Votes in June

The Cincinnati City Council has set

June 6th for the special election on the Republican organization's proposal to repeal P. R. for City Council elections and substitute a nonpartisan plurality election at large without primaries.

It has also decided to send to every voter a statement of the arguments for and against the proposed charter amendment. The argument for the amendment and against P. R. is signed by three Republican organization leaders, Chase M. Davies, State Senator Laurence Kane, and City Councilman Willis D. Gradison. The argument against the amendment and for P. R. is signed by Murray Seasongood, first mayor of Cincinnati under the P. R.-manager charter; City Councilman Charles P. Taft, son of the late President and Chief Justice; and John C. Dempsey.

The City Charter Committee, the League of Women Voters, the *Cincinnati Post*, and other friends of P. R. are waging an aggressive campaign against the amendment, pointing out its sinister possibilities in contrast with Cincinnati's enviable record of sustained good government for thirteen consecutive years. The form of election proposed is almost exactly like the form used in Newark, New Jersey, where part of the city commission is now under indictment and where a vigorous movement to get P. R. and the city manager plan to rescue the city from misgovernment is now taking shape. In essentials it is also very like the form of election used in Kansas City, which adopted the manager plan years ago with high hopes similar to those of Cincinnati but which under this defective method of electing the council has been in bondage to the Pendergast political machine ever since.

P. R. Unconstitutional in Rhode Island

On April 11th one of the most promising P. R. campaigns in the country was frustrated for the time being by a four-to-one decision of the Rhode Island Supreme Court that P. R. is unconstitutional in that state. Governor Vanderbilt and the legislature had both asked the court for an advisory opinion on the constitutionality of the proportional representation provisions of the Providence Charter League's proposed new charter for Providence, which was before the legislature.

The majority opinion outlawing P. R. was signed by Chief Justice Edmund W. Flynn and Associate Justices Hugh B. Baker, Antonio A. Capotosto, and Francis B. Condon. A strong dissenting opinion was filed by Associate Justice William W. Moss.

The majority leaned heavily on a forty-one-year-old Rhode Island opinion (*Opinion of the Judges* (1898), 21 R. I. 599, 41 Atl. 1009) in which the court held that the town of Cumberland could not limit voters to one vote apiece in the election of councilmen at large without violating the provision of article XX, section 1, of the state constitution that persons having certain qualifications "shall have a right to vote in the election of all civil officers." Since P. R. limits each voter to a single effective vote in an area electing several together, even though he may express choices for as many candidates as he wishes, P. R. is held unconstitutional on the same ground. This is the reasoning followed by the courts of Michigan and California and contradicted by the courts of Ohio and New York.

Rhode Island proportionalists were of course aware of the adverse precedent in their own state, but hoped that what seemed patent weaknesses in its logic, together with the recent decision of the respected New York Court of Appeals, would lead to a reversal of the precedent. The Charter League presented an excellent brief in which it pointed out that the accepted district system also confined the voter to a single vote in electing a body all of whose members pass laws governing him, with much less chance on the average than under P. R. to make that one vote effective in actually electing anyone; that nothing is said in the constitution about voting for all officers in a geographical district; and that if any sort of division into constituencies is to be allowed the P. R. division into equal constituencies of agreeing voters is more logical and gives representation, on terms of closer equality, to more voters.

Justice Moss supported this view. He pointed out that historically the words relied on by the majority were intended merely to define the qualifications of electors and provide that those who were qualified should have equal rights. This test the Hare system of P. R. met better than other systems. Under this system, "with the exception of the comparatively small number of voters whose votes were not counted for any winning candidate, . . . every voter would have an *effective and equal* part in the election of the group of officers to be elected." [Judge Moss underscored the three words in italics.]

"The proportion of voters whose votes would be ineffective under this system," he continued, "would clearly be very much less than the average proportion of ineffective voters would be in an election at large of a group of officers with each voter entitled to cast and to have counted as many votes as there are positions to be filled."

Like the Charter League Justice Moss also emphasized a constitutional provision not mentioned by the majority, article IV, section 10, which gives the legislature the right "to continue to exercise powers they have heretofore exercised, unless prohibited in this constitution." The right of the legislature to "regulate and order the waye and manner of all elections to offices and places of trust" was established in the King Charles charter and has never since been repealed.

The decision rules out the new P. R. charter proposal for Central Falls referred to in this department last month, as well as that of Providence. The Charter League of Providence is already laying plans for a campaign for a legalizing constitutional amendment, to be presented to the legislature next year along with a proposal for city home rule. No amendment presented to the legislature this year or next can be voted on by the electorate till 1941.

Minneapolis to Vote on P. R. for Its School Board

A proposal to adopt the proportional representation system of voting and counting ballots for the election of members of the school board will be voted upon at the city election in Minneapolis June 12th. The proposal comes up as an amendment to the city charter.

The amendment was placed on the ballot at the request of the Minneapolis Charter Commission following local agitation by citizens and groups that the opportunity be provided for city voters to pass upon the P. R. proposal.

There is some doubt whether the Minnesota state constitution will permit P. R. and it is understood that the campaign to secure election of Minneapolis school board members by this method may be preliminary to a court test before a final effort is made to incorporate the system into the general election laws of the state.

The local demand for P. R. in Minneapolis grew out of complaint on the part of citizens in various sections of the city that their areas are not represented on the school board because the members are elected at large and the successful candidates invariably are those who come from the more populous districts. The supporters of P. R. advanced the system as a method of protecting minorities, thus giving the smaller sections of the city an opportunity to be represented. Preliminary to the June 12th election, however, a proposal will come up for consideration at the primary election on May 8th to discard the city-wide method of electing school board members and substitute the district method. Observers are of the opinion that this proposal will fail and that the real effort to secure better representation on the school board will be the adoption of the P. R. amendment at the later election.

The P. R. amendment contains the standard P. R. provisions. Names are to be rotated on the ballots and provision made for the voter to register his order of choices.

The P. R. movement in Minneapolis culminates an educational effort of several years. The campaign is well organized and the leaders enthusiastic. Chief obstacles to the success of the campaign are citizen indifference and a not sufficiently general understanding of the proposal.

RUDOLPH LEE
Minneapolis Civic Council

P. R. Voted by French Deputies

On March 28th the French Chamber of Deputies approved by 425 votes to 158 an article of a proposed new electoral law providing a party list system of proportional representation for future elections of the chamber. Prospects of adoption in the Senate also were reported to be good.

France now elects by majority vote in single-member districts. If no candidate receives an absolute majority on the first balloting, a second election is held a week later and the highest candidate at this second election is elected whether he has an absolute majority or not. Usually all but the two highest candidates are withdrawn before the second election and the weaker parties locally support the one of the leading candidates they prefer. This leads to different combinations of parties in different districts, with resulting difficulties in coöperation after election among members nominally of the same party.

Under the proposed plan the second ballot would be done away with and the districts would be large departments electing several members each. Each party would be permitted to submit a list of candidates in each department and elect one member for every 16,000 votes it received for the list. Remainders would be added together for the whole country and additional members-at-large assigned on the same basis.

France is often mistakenly referred to as an example of bloc government fostered by P. R. Actually France has nothing in the least resembling P. R. at the present time and never had anything that could properly be called P. R. The misconception springs from the fact that a number of years ago it had a system of election which gave some representation to minorities (hardly ever proportional to their strength) in case no party or combination of parties polled an absolute majority in a department.

The system now proposed is very different from the Hare system of proportional representation used in New York, Cincinnati, and other American cities and in other English-speaking communities. It would give the voters far less control over the party organizations in the choice of individual candidates. It would, however, give each organized party its proper proportionate share of the total number elected.

Recent

Books Reviewed

EDITED BY ELSIE S. PARKER

Education for American Life. By Luther Halsey Gulick. New York City, The McGraw-Hill Book Company, Inc. (for The Regents' Inquiry into the Character and Cost of Public Education in the State of New York), 1939. xvii, 167 pp. $2.00.

This attractive and readable book is the general report of the Regents' Inquiry into the Character and Cost of Public Education in the State of New York, presenting a new educational program for the state. It summarizes the findings and recommendations of the ten separately published studies of the two-year investigation, which has cost half a million dollars and utilized the best brains in educational research and frontier thinking on the school problem that could be found throughout the land. New York State educators were generally excepted from participation in the study in order that those who made the analysis would bring a perspective to their work unfocused by their own local contacts and experiences.

It would be difficult to praise this report too highly. The inquiry was a monumental piece of work, magnificently conceived and effectively executed. The presentation of the essential findings and recommendations within the covers of this little book is a job of synthesis and artistry that can only be described by the word "beautiful." It is perhaps the most effective piece of condensation and summary of the results of a tremendous research project that this reviewer has ever seen. It is a book which should be read by every citizen in New York State and thoughtful citizens everywhere.

It would require temerity, indeed, to attempt in a few paragraphs a further summary of this report. Suffice it to say that the report recognizes clearly and faces frankly the necessity for a new educational program to meet the requirements of the rising generation in this changing, questioning, uncertain, and turbulent world and presents a program to meet those needs with respect to the following nine basic elements: (1) secondary education, (2) the elementary school, (3) the school district organization, (4) the possibility of economies in school costs, (5) state aid, (6) the teacher, (7) colleges and universities, (8) adult education, and (9) the state education department. The taxpayers will rejoice in the fact that the estimated cost of the many recommendations for extensions of the state educational program are more than balanced by suggested economies, the former totaling $37,980.000 and the latter anywhere from $38,150,000 to $56,550,000.

The shift in emphasis of the program crystallizes perhaps in two points: education for work and education for democracy. The first reflects the greatest failure of our social and economic system to date; the second, the widely appreciated challenge to the basic philosophy on which our institutions are based. With respect to the latter, there is frank recognition of the failure of our educational system to produce citizens equipped to participate intelligently in the democratic process. In every part of the report, the warp and woof of a pattern is woven which it is hoped will, if adopted, result in the correction of this vital defect in the moving spirit of a democratic nation.

It is to be hoped that this type of presentation will serve as a guide to future research projects. All too frequently in the past the results of valuable studies have been lost to the public because they have been entombed in massive volumes forbidding to the layman.

H. P. J.

The Support of Local Government Activities. By the Committee on Local Government Activities and Revenues. Chicago, Municipal Finance Officers Association, 1939. 75 pp. Fifty cents.

Several weeks ago the National Municipal League issued a pamphlet on the average direct tax burden of an average urban family, in which it was revealed that about $197 of the income of a $2500-a-year family goes to support state and local governments. A flood of editorial comment was the immediate result. All over the country editors seized on this interesting tidbit of information as a point of departure for harangues on the iniquitous costs of government.

Those editorials were a symptom of a national state of mind, semi-hysterical, which too seldom considers soberly the enormous benefits of governmental services and the real problems of providing for the support of those services. This report of the Committee on Local Government Activities and Revenues of the Municipal Finance Officers Association is a useful, calm, and thoughtful example of another more constructive outlook on the cost of local government.

With little waste wordage, the committee undertakes to present the aims of local government, the revenue problems local governments now face, and to suggest a basic program for solution. The chief value of the report is not that its ideas are radical or new, but that they are all there, a complete picture for the citizen and official to ponder.

The best summary of the report can only be a list of some of the main points that are made:

The problem . . . "is the necessity of obtaining sufficient revenue from appropriate sources to adequately support the necessary activities local governments now carry on or are being asked to perform."

Causes of the problem are listed as the growth of local government activities, the expansion of educational and social services, the inelasticities of mandatory expenditures, shrinkage of the base of the property tax, experimentation with new and untried revenue sources, lack of definite state tax sharing and grant-in-aid policies, conflicts between federal, state, and local revenue systems, and the lack of a planned relationship between the activities and revenues of local governments.

Twelve principles of relationship between local government activities and revenues are enunciated, all of them broad and fundamental, four courses of local action are suggested to solve the problems, and nine courses of state action. The temptation is to list them all, but they are so sparingly discussed in the report itself that no reader need feel disinclined to tackle them in the original.

M. R.

Additional Books and Reports Received

Accident Prevention

Seven Roads to Safety. A program to reduce automobile accidents. By Paul G. Hoffman. New York City, Harper & Brothers, 1939. xii, 87 pp. $1.00.

The Driver. By the Wichita Police Department. Wichita, Kansas, 1938. 40 pp. mimeo.

Accounting

Manual of Accounting Procedure for California Municipalities. By Uniform Accounting Committee. Berkeley, League of California Municipalities, 1939. 177 pp. $2.50.

Billboards

The Billboard, a Blot on Nature and a Parasite on Public Improvements. By Frederick Stuart Greene, Robert Moses, Lithgow Osborne, and Rexford G. Tugwell, with the coöperation of New York Roadside Improvement and Safety Committee. New York, 1939. 43 pp. illus.

Budgeting

Budgeting for California Municipalities. By Uniform Accounting Committee. Berkeley, League of California Municipalities, 1939. 107 pp. $2.50.

Education

Adult Education. By F. W. Reeves, T. Fansler, and C. O. Houle. xvi, 171 pp. $2.00; **High School and Life.** By Francis T. Spaulding. 375 pp. $3.00; **Motion Pictures and Radio.** By Elizabeth Laine. x, 165 pp. $1.75; **Preparation of School Personnel.** By Charles H. Judd. xi, 151 pp. $1.50; **School and Community.** By J. B. Maller. xiii, 360 pp. $3.50; **The School Health Program.** By C. E. A. Winslow. xiii, 120 pp. $1.50. New York, McGraw-Hill Book Company (for The Regents' Inquiry into the Character and Cost of Public Education in the State of New York), 1938 and 1939.

Know Your Board of Education (Leaflet No. 47 in series Know Your School). By United States Office of Education. Washington, D. C., Superintendent of Documents, 1939. 12 pp. Five cents.

The Influence of the Public Works Administration on School Building Construction in New York State, 1933-1936. By Howard T. Herber. New York, Bureau of Publications, Teachers College, Columbia University, 1938. vii, 107 pp. $1.60.

Municipal Government

Civil Liberty in American Cities. Summary of a survey based on 332 American cities of over 10,000 population. By American Civil Liberties Union. New York, 1939. 17 pp. mimeo.

Governmental Organization within the City of New York (fourth edition). By Institute of Public Administration of Columbia University. New York City, 1939. 18 pp. with chart. Twenty-five cents.

Guide to the Municipal Government, City of New York (fourth edition). By Rebecca B. Rankin. Brooklyn, New York, The Eagle Library Inc., 1939. 111 pp. illus. $1.28.

Legal Services of Leagues of Municipalities. By American Municipal Association. Chicago, 1939. 26 pp. mimeo. $1.00.

Specifications for the Annual Municipal Report. Suggested topics and units of measurement for reporting each activity. By International City Managers' Association. Chicago, 1938. 16 pp. mimeo. Fifty cents.

Opinions of the Corporation Counsel and Assistants (Vol. XIX). Edited and compiled by Barnett Hodes. Chicago, Department of Law, 1938. xix, 610 pp.

History of American City Government. The Colonial Period. By Ernest S. Griffith. New York, Oxford University Press, 1938. 464 pp. $3.75.

Personnel

Interim Report of the Committee on Professional Standards. By Civil Service Assembly of the United States and Canada. Chicago, 1938. 35 pp.

Personnel Administration (Preliminary Report). Prepared for Committee on Municipal Government and Fees and Salaries. Topeka, Research Department, Kansas Legislative Council, 1938. xii, 47 pp. mimeo.

Plans for Rating Employees (Studies in Personnel Policy No. 8). By National Industrial Conference Board, Inc. New York, 1938. 40 pp.

Taxation and Finance

Consolidated Loans Funds of Local Authorities. By J. M. Drummond and A. H. Marshall. London, William Hodge and Company, Limited, 1938. 170 pp. 7/6 net.

Financial Statistics of Local Governments in Georgia. By Lloyd B. Raisty. Athens, University of Georgia Press, 1938. xii, 355 pp. $1.50.

Our Taxes—What They Buy. By Maxwell S. Stewart. New York City, Public Affairs Committee, 1939. 32 pp. Ten cents.

Report of the Tax Study Commission, State of Michigan. Detroit, Office of the Commission, 1939. vii, 68 pp.

Report on Taxes Payable by Electric Utilities to State and Local Governments in the State of Tennessee. By Tennessee Taxpayers Association, Inc. Nashville, Tennessee, 1939. 15 pp. mimeo.

NATION'S CAPITAL

(Continued from Page 373

and con in the newspapers of the district. In March and April hearings on the plan were held by the House committee and much testimony was taken. Usually interested groups have hit only such portions of the bill as would modify or abolish the particular branch of the district government in which they have special interest. The library trustees and the school board do not favor the proposed reorganization plans as affecting them. Citizens' committees have shown quite a bit of dissatisfaction because the plan carries no recommendation as to whether the council members should be elective or appointive. The plan has also drawn much fire because it sidesteps the issue of suffrage for the citizens of the district. Many citizens' organizations also decry the fact that there is no proposal for self-determination of the way tax moneys shall be collected and spent.

Mr. Prettyman, former corporation counsel mentioned above, listed sixteen points of issue with the Griffenhagen plan. His own plan, supported by the Citizens' Committee, urged retention of the Board of Commissioners, advocated election of district delegates in Congress, two of whom would sit with the commissioners as the city's ordinance-making body. It also urged the retention of library and schools under independent boards rather than placing them under a manager as called for in the present report.

Whether the Griffenhagen plan will be accepted by Congress, or whether it will meet the fate of previous surveys of the nation's capital, cannot be foreseen at this time; but acceptance of its major provisions would be a long step in the direction of giving the city the modern governmental setup which it so badly needs.

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National Municipal League

The League's Business

Bouquet for the League's President

Vital Speeches of the Day in its issue of February 1st reprinted in full President Dykstra's address before the American Political Science Association at Columbus. In a letter addressed to Mr. Dykstra, Mr. Thomas F. Daly, editor of *Vital Speeches,* said, "It is the longest speech we have printed in the four years of the existence of the magazine. It seems to warrant this distinction. It is a really fine document." The address was headlined in the magazine above such speech-making competitors as President Roosevelt, Senator Robert A. Taft, and others of prominence.

A Tribute to Murray Seasongood

"Cincinnatus," whose column appears daily in the *Cincinnati Post,* has recently paid a well earned tribute to Murray Seasongood, first mayor of Cincinnati under its city manager charter and former president of the National Municipal League. He says: "A generation has grown up that doesn't remember Murray Seasongood taking up single-handed to wrestle with the civic corruption in the city. That was in 1923. When nearly everybody was happy with the way things were going here (you scratch my back, I'll scratch yours) he preached discontent against the established political order. . . .

"Though the party leaders considered Seasongood only a passing phase, in a year there was a revolution here. There was enacted the new charter by which the local system was to be torn up by the roots. In another year the first nonpartisan, city manager government was elected by proportional representation and through the subsequent fourteen years this government has stood and given the city an honorable name.

"Cincinnatus gets reminiscent upon reading that Murray Seasongood is making speeches for P. R. against which an election has been called for June 6th. Cincinnatus himself will follow the Original Pioneer."

League's Secretary on New York State Civil Service Commission

Governor Lehman of New York State has appointed Howard P. Jones, secretary of the League, as a member of the New York State Civil Service Commission. The appointment, which was a surprise to political leaders throughout the state, was confirmed in the Senate by unanimous vote.

National Municipal Review

Editorial Comment

Lucky "13" for Kansas City?

FOR thirteen unlucky years friends of good government and advocates of the council-manager form of government have been embarrassed by the argument that the manager plan had failed in big (400,000) Kansas City, Missouri.

Time and again it was charged that in Kansas City there was an alliance between vice, crime, and the law enforcement agencies, that the spoils system flourished, that social conditions prevailed which would be a disgrace to any city, that city employees had to "kick back" to the political machine certain percentages of their salaries and to work for the machine at crooked elections, that political favoritism and persecution were notorious, and so on and on.

Informed persons in and out of Kansas City did not deny these charges. The manager was a handpicked local man whose conception of his job was that he represented the machine rather than the nebulous element called "the people."

Of course there are other American cities where, in some degree, the same undesirable conditions exist. But one reason the case of Kansas City has been dramatic is that it is unusual to find a manager plan city which is poorly, wastefully, and crookedly administered. Cincinnati, which adopted the same form of government in the same year, has emblazoned a brilliant and contrasting record, rising to the heights of municipal accomplishment while Kansas City was descending to the depths. The very fact that Kansas City seems to be the only "horrible example" which opponents of the manager plan can find among almost five hundred can be interpreted in no other way than as a recognition that it is the exception which proves the rule. We have come to expect so much of a sound *form* of government that we are prone to consider it automatic.

In a democracy no form of government can be automatic. If it is possible to corrupt, deceive, or dominate a majority of a population, the result will be pretty much the same under any form of government.

Under its standards, the International City Managers' Association had to recognize Kansas City as a manager plan city even though the association was aware that the apparently sound charter was ignored except in so far as it suited the convenience of the machine to observe its provisions.

But with councilmen elected from machine-dominated districts, with thousands of fraudulent registrations and votes, with support purchased by jobs and favors, and foes cowed by threat of violence and discrimination, there existed a situation which was discouraging to those who had the courage to fight "the boss."

It is improbable that any other city has ever been so completely dominated by as thorough-going a political machine. This machine depended not alone on the volunteer work of the thousands upon thousands of public jobholders; it was distinctly big business all the way down the line. It had its fingers in more businesses than probably ever will be known. The big boss himself owned the company which had the lucrative garbage collection contract. Any contractor or other outfit which wanted city business had to be "right." Saloon keepers bought the "right" beer, liquor, and soda. All manner of businesses knew it was "right"—or at least safer— to come through with campaign contributions. It was all very complicated and big.

The power of the big boss extended through his own state and beyond until, as the end neared, even a hand-picked United States senator was trying desperately to save him. So, fantastically, it wasn't for graft and the corruption of Kansas City's democratic processes that Boss Thomas J. Pendergast finally was started on his way to prison. The federal government was the only agency big enough to reach him—through the charge that he evaded payment of income taxes on his ill-gotten gains. It was significant, however, that the judge, in sentencing him, took notice that "the city and county which he has dominated have been governed with indescribable corruption and dishonesty."

Of course the boss is trying to put another Pendergast, his nephew, into power. Of course the old machine is taking steps to be (or at least look) virtuous. The mayor, who after all is only one member of a council of nine which has long violated provisions of the charter, has taken emergency control, appointed his own secretary as acting manager, and is getting much favorable publicity for himself and his city by cleaning things up.

Kansas City has a model nonpartisan charter. The key to the whole situation is the popularly elected council. On it rests the responsibility for framing policies and choosing the kind of manager Kansas City needs and deserves. Election by proportional representation might be the safest and surest way to end boss rule, as it did in Cincinnati.

Kansas City is a big, robust, vigorous metropolis. Its people are not essentially different from people in general—the people of Cincinnati, for example. They've just been traveling in bad company which now is in prison, on its way there, or sufficiently cowed to provide the first opportunity in years to elect a good council which will stand on its own feet and do a nonpartisan, non-spoils job.

Philadelphia: Bed of Bossism

FOR generations Philadelphia, third largest city in the United States, has suffered from the domination of political spoils machines. It has been "good hunting" for those who wanted to write books and articles depicting bossism at its worst.

Of course there is as high a percentage of civic decency among unorganized Philadelphians as there is anywhere—people desirous of breathing new life with local application into such symbols as the Liberty

(Continued on Page 464)

State Trade Barriers—
Portents to National Prosperity

By **THOMAS S. GREEN, Jr.**, *Council of State Governments*

Passage of discriminatory legislation against out-of-state products likened to similar discriminations and reprisals preceding economic breakdown at close of Revolutionary War.

HUNDREDS of trade barriers are today obstructing the free flow of commerce among the states. Laws and regulations which in practice violate the principle underlying the commerce clause of the constitution are found on the statute books of most, if not all, of the states, and among many of their administrative rulings. They are enforced under the state police, taxation, proprietary, and general regulatory powers, and affect persons and products moving in interstate commerce. They operate to subsidize local producers and distributors, and tend to stimulate political and economic sectionalism.

A trade barrier is the counterpart on the national scene of a tariff wall erected against international trade. "It is a statute, regulation, or practice which operates or tends to operate to the disadvantage of persons, products, or commodities coming from sister states, to the advantage of local residents and industries."[1] It usually tends to encourage exports, restrict imports, and protect the domestic market from out-of-state competition.

The economic breakdown that attended the close of the Revolutionary War offers a disturbing parallel to the present situation. During the years between the war and the adoption of the constitution, the states played the part of small independent nations, jealously protecting their own industries and indulging in vicious discriminations and reprisals. New York levied tariffs on New Jersey vegetables, chickens, and eggs; New Jersey retaliated by taxing New York's Sandy Hook lighthouse $1,800 a year. Connecticut merchants entered into a written compact to boycott New York City. Maryland and Virginia, Connecticut and Pennsylvania struggled respectively over the ownership of the Potomac River and the Wyoming Valley. Trade became stagnant, business languished, state hostilities reached white heat.

These trade barriers between the infant states were largely instrumental in drawing together the leaders of that period to frame a federal constitution and organize a strong central government. The large free trade area which was established, by virtue of the delegation of supreme control over interstate commerce to the national government, permitted the rapid settlement of the nation's vast unexplored territory and the development of its resources.

A century and a half after the adoption of the constitution, state trade barriers have again assumed ominous proportions. Cropping up largely since the onset of the depression, they have escaped general notice until the last year or two. Yet they are diverting our economy from the traditional policy of unhampered domestic trade, and are threatening to revert us to those conditions which once played havoc with interstate harmony.

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[1] S. Chesterfield Oppenheim, chairman, Advisory Council, United States Marketing Laws Survey, in a speech delivered before the National Conference on Interstate Trade Barriers, Chicago, April 5-7.

The constitution vests in Congress power "to regulate commerce with foreign nations, and *among the several states,* and with the Indian tribes." Chief Justice Marshall, in one of the early decisions handed down by the Supreme Court,[2] interpreted this clause as embodying the power to govern commercial intercourse among the states, and characterized it as "sovereign," "complete," "plenary," "absolute," and of the same scope as it would be were it vested "in a single government." He referred to inspection, quarantine, and health laws, and laws for regulating the internal commerce of a state as component parts of the mass of state legislation which is not surrendered to the national government, but, he continued, when these come in conflict with the supremacy clause, they must yield to the national power. In the absence of Congressional approval, attempts by the states to enforce their laws upon incoming goods would be clearly unconstitutional. By and large, the Supreme Court has recognized as an objective of the federal constitution the removal of barriers to commerce among the states. This responsibility has been expressed from its earliest decisions up to the present.

In only two articles of commerce does our constitutional system explicitly permit the states to regulate, restrict, or embargo interstate trade—intoxicating liquors and prison-made goods. The twenty-first amendment to the constitution provides that the transportation or importation into any state of intoxicating liquors, in violation of the laws thereof, is prohibited. Subsequent Supreme Court decisions, first in Young's market case and more recently in the Indianapolis Brewing Company and Joseph S. Finch cases, have left unfettered the states' powers to regulate this article, and to indulge in discrimination and retaliation against out-of-state products if it so chooses. Rivalries and reprisals have thus flared up. The Hawes-Cooper and Ashhurst-Sumner acts have accomplished the same results for prison-made goods. In this instance, Congress has, in substance, lent its power of regulation to the states in order that these goods may not compete in interstate commerce with the products of free labor.

METHODS OF REGULATION

The states, however, have no such privileged role in the regulation of other articles of commerce. But many, by subtle and indirect means, are discriminating against other commerce where they have neither the social nor legal justifications that apply to liquor or prison-made goods. This host of trade barriers, intended by and large to subsidize local industries and residents, can be classified under taxation, police, proprietary, and general regulatory powers. They are so numerous and so varied that only a few examples can be presented.[3]

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[2] *Gibbons* v. *Ogden,* 6 Wheat., (1824).

The taxation power is an instrument resorted to by the states to discriminate against foreign liquor and oleomargarine. Preference is given to producers of local raw materials by lower license fees, as in Alabama, where wineries using 75 per cent domestic grapes pay a $25 license fee, as opposed to $100 for other wineries in the state. Import restrictions are affected by higher gallonage taxes or higher distributing licenses on imported products than on the native ones. In Georgia, for example, domestic wines are taxed five to thirty cents a gallon, depending on the alcoholic content, out-of-state wines forty to sixty cents; and in Michigan a wine gallonage fee of fifty cents on out-of-state wine is reduced to four cents on wine manufactured from domestic grapes which have been purchased for at least $55 a ton. Wholesalers in Washington pay an annual license fee of $50 if distributing local wine, while an importer's license is $250. These two classifications—preference to state-grown products and import restrictions—are each imposed by about twenty-five states. A comparable number of states have adopted prohibitory excise taxes on oleomargarine to protect local dairies. High fees are also levied on the manufacture of this butter substitute. But, as in the case of liquor, some dairy states diminish the tax rate if local products are used in its manufacture.

Motor vehicles are affected by cumulative taxes as they travel through a number of states, although reciprocity in license fees is becoming more prevalent. One writer has pointed out how such taxes can become completely prohibitive, as on a five-ton truck moving from Alabama to South Carolina, which would be required to pay $400 in Alabama, $400 in Georgia, and $300 in South Carolina—a total of $1,100.

Itinerant truckers' fees, frequently making exemptions for local farmers, license fees and excise taxes on the importation of nursery stock, and use taxes without the compensatory feature comprise other types of trade barriers which rely for their effectiveness on the taxing power.

INSPECTION FEES LEVIED

The states may levy inspection fees, and this, under the police power, has been used to erect trade barriers. Dairy products, live-stock and horticultural products have thus been controlled, restricted, excluded, and at times destroyed by importing states, all supposedly to protect the general health. Connecticut, Massachusetts, and Rhode Island require registration of all dairies before they supply milk to the local market, and Pennsylvania and New Jersey issue no permits to sell milk unless the source of supply has been inspected. Such measures easily lead to barriers to protect the local dairies.

The extent of adoption of discriminations against livestock and horticultural products is evidenced by the fact that about twenty-eight states require certificates testifying that stock is pest-free and disease-free, and practically all states submit the stock to further inspection on reaching its destination. Practically as many states have given general quarantine powers to their administrative authorities.

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[3] The author is largely indebted to Professor Oppenheim's address before the National Conference on Interstate Trade Barriers for the following summary analysis of these barriers.

Ports of entry laws are one method of enforcing these exclusions and of restricting importations. Motor vehicles are stopped at the borders of some dozen states, often for payment of registration fees, special mileage and gasoline taxes, and the checking of equipment, weight, and insurance requirements. These ports are also used for inspection and embargo of plants, fruits, and vegetables. Kansas has set up sixty-six such ports, Nebraska thirty-one, New Mexico twenty-two, California fourteen, and others a lesser number.

General regulatory powers are implemented in the interest of safety and morals, but frequently also operate as trade barriers. Out-of-state liquor dealers may be required to qualify for a license before doing business. The maze of labeling laws constitute one of the most troublesome restrictions to producers. Proper labels are necessary for adequate regulation, but when the law calls for imprinting the state of origin, then the intent may well be to foster a "buy at home" movement. Some state laws specify what part of oleomargarine containers are to be labeled and the size and style of lettering, all of which add to the cost of marketing the product. Other states list detailed specifications for agricultural products, and seven set a maximum grade for "fresh" eggs which can only be met by domestic hens. Maximum gross weight of trucks is subject to wide variations—from 7,000 pounds in Texas, the largest state of the union, to 120,000 pounds in Rhode Island, the smallest.

Under proprietary powers the states can not only exact compensation for ownership or proprietary interest in the highways, but make further restrictions, designed to protect resident carriers or to favor other forms of interstate transportation. Many states give preference to resident laborers and contractors, and to domestic products used on public works. Many specify that public institutions can purchase only domestic products or supplies, or stipulate that higher prices may be paid for state-produced commodities.

COURTS FAVOR HOME STATES

These four residuary state powers have been resorted to extensively to impose discriminations against out-of-state products. In a few cases their enforcement is relatively free from constitutional limitations. The states have been granted unlimited freedom in regulating the liquor business and in controlling the interstate movement of prison-made goods. In the exercise of proprietary powers, the court has announced that no constitutional limitations are encountered in giving preferential treatment to resident laborers, contractors, materials, and printing. The states are not hampered by the commerce clause in regulating highways which they own, although under federal motor vehicle legislation the states have had concurrent legislation. The federal government has gone so far as to intervene in behalf of the dairy states in the struggle over the marketing of butter and oleomargarine by imposing an oleomargarine tax. And the use tax, with the compensatory feature, has recently been upheld in a Washington case.

But it must not be supposed that the Supreme Court has neglected the principle underlying the commerce clause or failed to condemn harmful trade barriers. In *Baldwin* v. *Seelig*,[4] which involved the constitutionality of certain New York milk price-fixing provisions, Justice Cardozo opined that "a state may not place itself in a position of economic isolation . . . Neither the power to tax nor the police power may be used by the state for establishing economic barriers against competition with products of other states." And Justice Frankfurter, voiding the high Florida fee on imported cement,[5] declared that the purpose of the state law was avowedly to keep out foreign goods and that the statute was clearly designed to circumvent what the commerce clause forbids. Burdens on interstate commerce must be indirect and unsubstantial, the Supreme Court has emphasized.

The use of state powers to promote the health, safety, and living standards of its people is not subject to criticism unless the motivation is economic protection and the enforcement leads to discrimination against other states. This parochialism has too often been expressed, however. Local producers and distributors have attempted to forestall or counteract depression hardships. As in the international scene, state tariff walls are outgrowths of a seemingly saturated local market and of competition in these arenas with out-of-state products. Discriminatory laws have frequently led to retaliation by affected states, which in turn have stimulated counter-retaliation. This is most strikingly illustrated by the "beer wars" between Indiana and Michigan, and the retaliation by a group of middle-western states to Missouri's over-all liquor anti-discriminatory law, which was repealed this session. It is also exemplified by the "border wars" between a number of states over the regulation of foreign motor carriers.

The publicity given to this menacing development and the conferences sponsored by the Council of State Governments, particularly the National Conference on Interstate Trade Barriers held in April, have done much to stimulate interstate negotiations and corrective legislation. As a result, state and federal officials have become more acutely aware of these trade barriers and of their implications, and the public has been acquainted with the problem. But the situation will not be completely remedied until public and private citizens become imbued again with the doctrine of the free national market and realize that these barriers are ineffective means of enlarging a market and are economically harmful to national prosperity. Until the pendulum has begun to swing in the other direction, if it has not already, the danger that trade barriers will stimulate intense economic and political sectionalism among the states is still imminent.

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[4] 294 U. S. 511 (1935).

[5] 6 Hale *v.* Bimco *Trading Co.*, U. S. Law Week, 850.

The Making of a Public Servant

By WILLIAM E. MOSHER, *Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University*

Pioneer in methods of education for the public service believes that administration will shortly take its place as one of the sciences; cites increasing need for trained leaders in the field of government

THE aim of courses in public administration, as taught in the Maxwell Graduate School of Citizenship, is primarily to acquaint students with the organized body of knowledge that has gradually accumulated in this field as a result of first-hand observations of government at work, and of the analysis and criticism of such observations on the part of an increasing group of investigators and theorists.

Certain general principles have been derived as well as a number of standard practices that have met the test of experience. Taken all together such principles and approved practices form the groundwork of a science that in the course of time may take its place alongside such pragmatic sciences as medicine, law, and various branches of engineering. Contrary to prevailing opinion in the past, it is becoming more and more widely recognized that administration is a ding an sich (a thing in itself), and that like any other art and science is learnable and teachable.

This conception has long been accepted in business circles, as witness the number of schools of business administration. Here organization, statistics, accountancy, personnel are taught not primarily with the aim of training statisticians, accountants, and personnel managers, but because one in an administrative position is called upon to take these and other factors into account in the making of decisions and forming of policy. Accordingly, a statistician who teaches statistics as though he were training statisticians is likely to miss the boat if he is engaged in training prospective administrators.

One of the chief skills to be cultivated by an administrator is to know when to turn his special aids on and when to turn them off and how to evaluate and weave into his policy the advice and judgment of his specialists. According to this reasoning the administrator is one who becomes acquainted with the tricks of many trades—and better acquainted as time goes on—but perhaps the master of none except the master trade of all, namely, administration. Or to use another analogy, he must know how to drive a team of many horses along the shortest route to the goal of his organization. If a job analysis be made of the office of an administrator in a large-scale organization it will be found that he is using the contributions of a number of specialists, but meanwhile shaping a policy that is peculiarly his own. The poor administrator patches together a crazy quilt of these contributions; the good one designs something new under the sun.

It is on the basis of such thoughts as these that the program of graduate training now offered in the Maxwell School has been evolved over a period of years. The purpose of this article is to describe the current program.

The public administration course, leading to the degree of Master of Science in Public Administration, involves two years of intensive, specialized study. Enrollment in the course is limited to fifteen students each year. These young men are carefully selected from among many applicants by means of a numerical rating system. Selection is made on the basis of scholastic record, personality, and qualities which seem to indicate potential capacity for leadership. Increasing emphasis is being placed on a year or two of successful experience before making application for admission. Although this is not required, it has been found that those students who have had such experience are, in general, better equipped to obtain the maximum benefit from the training program.

PROGRAM OF ACTIVITIES

The first year is devoted to a consideration of the overhead and staff functions. Principles and best practices in each field of activity are illustrated from the several levels of government, while special emphasis is placed on the increasingly complex inter-relationships between the federal, state, and local levels.

The subjects covered in the first-year curriculum are as follows: legal authority and framework (administrative organization and structure and methods of control), public budgeting, financial administration and accounting, public finance and taxation, personnel administration, governmental purchasing, planning, public reporting and relations, statistics, research methods and sources.

During the summer intervening between the two years the students are placed in temporary positions in a government office or on the staff of a research agency investigating some phase of governmental activity. In this way members of the group are given an opportunity to obtain an understanding of the practical operation of a public agency and to observe the application of the principles and techniques considered during the year. Oftentimes valuable contacts result from these summer appointments, and topics are discovered for later investigation.

The second year is devoted to a study of various line functions which extend from the federal to the state and local levels. The following courses are included: public welfare administration, public health administration, law enforcement processes, public works, regional planning and housing, public utilities, public education.

During the latter part of the second year the students spend three weeks in making a carefully planned inspection tour of the city government of Rochester, New York. The program is supervised by the Rochester Bureau of Municipal Research, an agency that has long been influential in making Rochester a progressive and well managed city. It includes a lecture series conducted by various public officials, as well as field trips and visits to each of the city departments. In this way the members of the group are presented with a bird's-eye view of the actual operation of a large governmental jurisdiction, and are able to observe at first hand the diversified functions, procedures, and problems incident thereto.

The curriculum is set up under the so-called "end-to-end" arrangement, that is, only one course is presented at a time, the periods varying from two to nine weeks. The student is thus enabled to devote his full time to the subject under consideration. Classes are held six days a week for a period of two hours a day. The students spend an average of six to eight hours a day in reading and study in preparation for the conference.

The staff is made up of members of the faculty of the School of Citizenship whose particular specialization and earlier experience qualify them to teach one or more of the courses, plus a number of men who are themselves public administrators, and two or three from other schools and colleges in Syracuse University. This combination insures the presentation of both sides of the picture and presents in proper perspective the ofttimes divergent points of view of the academician and the practitioner.

A number of critics of the pre-entry training of administrators have apparently assumed that this curriculum aims to deliver finished products. Such an assumption is as unwarranted as would be the belief of instructors in medical and engineering schools that they produce doctors and engineers prepared to go places after completing work on the university campus. An interneship and a long probationery period in minor positions are mandatory in any of these callings. Our students are repeatedly reminded that there are no get-rich-quick methods in an administrative career, that an art can be learned only in the doing and observing others engaged in its practice.

IS SUCH TRAINING NECESSARY?

These same critics assert that an administrative aide can readily pick up what he needs from the organization with which he is identified. This might be true if those at present holding administrative positions were schooled in their calling and were interested to see to it that their promising subordinates and executives were systematically trained for more important positions. On this point the statement made by an important administrator in the federal government is pertinent. He expressed the opinion that the federal government is bogging down today because of the lack of administrative brains. If this be true, the aspirant for a career in this field would be forced to go to a pretty poor school. One can learn established routines, hit or miss methods from supervisors who themselves are wedded to such methods, but never gain the perspective which comes from a systematic approach to the field of public administration. Let it be granted that there are capable and high grade administrators here and there in the public service but even among such there is a sprinkling who believe that well organized training of subordinates for more responsible positions of an administrative character is called for. If there are such training programs they surely have failed to gain public notice, apart from several notable exceptions.

In conformity with the suggestion

that the art can be learned only in the doing, most of the students who have completed the two years of course work on the campus are placed in public agencies with the understanding that they shall serve a kind of interneship for at least six months and shall be assigned some research or investigational work that is of value to the superior, but that will also serve as a thesis for the Master's degree. The salary paid during this period is usually on the clerical level. Such an assignment has given the students an opportunity to orient themselves within the organization and at the same time to show their mettle and capacity. Wherever possible the effort is made to locate the young men with an administrative official. This arrangement has proved to be worthwhile and usually led to a satisfactory appointment.

ACTIVITIES OF GRADUATES

It might be added that the young men are encouraged to take civil service examinations during the two years of their graduate study, particularly in New York State and the federal government, both of which jurisdictions are laying stress upon the recruitment of prospective administrators and personnel assistants.

Of the 115 graduates of the public administration course, about 25 per cent have positions in the federal government, 18 per cent in various state governments, and 14 per cent with local governments; 33 per cent are associated with various unofficial and research agencies such as leagues of municipalities, taxpayers associations, and consulting agencies; the remaining 10 per cent have gone into private business. Of particular significance is the fact that 35 per cent of the total number of graduates are serving in an executive capacity.

As the number of alumni increases there is a growing tendency towards a closely-knit coöperation among them. This is particularly apparent in centers such as Washington, Albany, and Chicago where quite a number of Syracuse graduates are located. Despite the diversification in the fields of activity represented in such groups, administration serves as the common denominator and the central focus of attention. Graduates from other institutions emphasizing public administration are welcomed in these group discussions. As this emphasis has increased, the students and graduates in coöperation with the internes in Los Angeles County have initiated a move to bring about an association of young people of like experience and interest. Contacts with students on several campuses have been made and preliminary steps looking toward such an association are under way.

On its own initiative the Syracuse group now publishes a news letter quarterly called *The Public Administration Review.* Contributions to this publication have been made not alone by the graduates, but by a number of prominent public administrators as well. An effort is being made to secure articles dealing with new developments in the field of administration, and particularly to point the way in regard to practices and ideas which are in process of development but have not yet become realities.

(Continued on Page 437)

Our New Municipal Landlords

By **MORRIS B. SCHNAPPER,** *United States Housing Authority*

Municipal housing authorities now numbering well over two hundred make marked progress toward providing decent homes for half a million slum dwellers; federal grants to local authorities amount to eight hundred millions.

AT LONG last America's municipalities are clearing their slums and providing decent homes for the low-income families who have been living in them.

One of the greatest mass migrations in history, the removal of more than 500,000 persons from slums into new homes, will soon be launched by the majority of the 236 local housing authorities which have come into active existence during the past year and a half. By fall, as a result of the brief but effective efforts of these authorities, thousands of slum dwellers will be moving every month into the 160,000 low-rent dwellings now being planned and constructed.

Marked progress toward this end is today being made by 155 local housing authorities assisted financially and technically by the United States Housing Authority. Aided by USHA loan contracts totaling $409,698,000,108, authorities are proceeding rapidly with . plans for the construction of 85,416 family dwellings in 209 projects designed to rehouse about 341,000 slum dwellers. At this moment, twenty-five projects providing 13,117 dwelling units are well under construction in twenty cities. Tenants may soon begin to move into projects now rapidly nearing completion in Austin, Texas; Jacksonville, Florida; Buffalo and New York City. Outstanding USHA earmarkings of $246,941,000 for ninety-one authorities—a large portion of which have both USHA loan contracts and earmarkings—provide for the construction of approximately 75,000 additional dwellings.

As a result of the progress achieved to date, it is now a matter of demonstrable fact that, for all the doubts and fears of a year and a half ago, America's communities can wipe out their slums and provide decent low-rent housing. For we now know that local housing authorities *can* successfully sponsor slum clearance and low-rent housing programs, *can* construct public housing as economically as private housing, *can* bring rents within the reach of the underprivileged who live in the slums, *can* win the wholehearted coöperation and assistance of local public agencies and representative civic, business, labor, and social welfare groups.

This record of achievement is all the more striking when it is realized that at the time the public housing program was inaugurated a year and a half ago there was only one housing authority—that of New York City—able to sponsor a sizable local program. True, there were in existence at the time some forty-six housing authorities but only a dozen or so had or were able to have working programs of any sort. Lacking funds, staffs, powers, programs, they could not actually clear slums or provide low-rent housing.

Dawn came in December 1937, when the United States Housing Authority actually opened up shop—initially authorized by Congress to lend $500,000,000 to local housing authorities and to contribute to the programs of these agencies $20,000,000 in order to help them bring the rents of their projects within the reach of low-income families. (In June 1938 Congress empowered USHA to lend $300,000,000 more and added $8,000,000 to the amount authorized for annual contributions.)

Revitalized by the availability of financial aid, existing housing authorities lost little time in demonstrating to the United States Housing Authority that they were ready and willing to launch programs. Municipalities without housing authorities in states with enabling legislation permitting their establishment were quick to take advantage of such legislation. And in those states without enabling legislation local governments began to demand appropriate action.

By April 1939 there were five times as many housing authorities as in December 1937. Considering the complexities involved in connection with the creation of a housing authority, this amazing growth is certainly striking evidence that America's cities are determined to clear their slums and provide decent housing.

From the very first, the demands of cities in every part of the nation for commitments came pouring into Washington in such volume that USHA funds were substantially committed by December 8, 1938, only a year after the birth of the slum clearance and low-rent housing program. In extending the financial assistance authorized by Congress the USHA has made every effort to make its benefits available to communities large and small in every state able to participate and, in accordance with the stipulations of the United States housing act, has not assigned more than 10 per cent of the total funds to the cities of any one state. As shown by the following chart with regard to cities with USHA earmarkings and loan contracts, communities with populations of 49,000 and less are sponsoring 41 per cent of the nation's low-rent housing projects.

Communities Served	*Number of Projects*	*Approximate Per cent of Total*
Under 25,000	26	17
25,000 to 50,000	38	24
50,000 to 100,000	27	17
100,000 to 300,000	43	28
300,000 to 500,000	8	5
500,000 to 1,000,000	8	5
Over 1,000,000	6	4

That USHA has been able to commit its funds for only a portion of the authorities of each state has been due to the limited sum of money available for loans and subsidies, to the inability of the benefiting authorities to proceed with their programs without sums at least as large as those committed, and to the unexpected growth of authorities.

Of necessity, USHA has been unable to extend its assistance to all authorities or to lend the sums of money needed or requested. Moreover, since it is charged with stimulating business and employment it has had to give a certain amount of preferential treatment to authorities able to proceed quickly and efficiently.

It is for these and other related reasons that Congress is at the present time giving consideration to amendments to the United States housing act which would increase by $800,000,000 the amount which the USHA is now authorized to lend and would provide an additional $45,000,000 for annual contributions by USHA to local authorities to keep rents of public housing projects within the reach of the lowest income families. The statement recently made in this connection before the Senate Committee on Education and Labor by Mr. Nathan Straus, USHA administrator is pertinent.

NEED FOR MORE FUNDS

"To say that an additional authorization is needed merely because present authorizations are exhausted does not, of course, tell the whole story.

"First, I think it is clear that the $800,000,000 authorization appearing in our present act is only a modest beginning in the solution of the problems of the slums and the ill-housed. To eliminate American slums, and to re-house families in the lowest income groups, are objectives which, of course, cannot be realized at once. If the attack on these problems, however, is to proceed unabated, rather than falteringly, it is important that more funds be made available so that the USHA may continue its program and enable additional projects to be initiated. In terms of housing construction, I should like to point out that under the additional $800,000,000 authorization called for by the bill some 180,000 decent homes will be provided for lowest income families now living under unsafe and insanitary conditions. This also means that in connection with the construction of these decent homes, there will be eliminated about 180,000 unsafe, insanitary, and unfit dwellings.

"In the second place, we must recognize that there are now more states authorized to participate in the program than there were last year. So far, in 1939, four new states have joined the list. In five other states action is now being taken on housing bills. Unless additional funds are made available, those states which enact legislation this year cannot enter the program and would be penalized.

"In the third place, many localities already participating in the program are making only a bare commencement of their attack upon their housing problems and have requested supplementary earmarkings. Of course, these cities are precluded from expanding their programs and other cities are precluded from initiating their programs until more funds are made available to the USHA.

"From all sections of the country requests have been received for earmarkings. The distribution of these requests proves both the need for low-rent housing and slum clearance and the enthusiasm of the cities and towns throughout the nation seeking to join or continue in the USHA program of slum clearance and rehousing. Despite the early announcement by the USHA that all funds currently available have been exhausted, additional earmarking requests already received total in excess of $800,000,000 and more requests are being received each day. These requests, of course, do not even include any applications from the many authorities which will be created in the states now enacting enabling legislation nor do they reflect the needs of many cities throughout the country that have withheld their requests until there is some definite prospect of additional funds."

The story of America's housing authorities can perhaps best be told by answering certain key questions that are being asked increasingly these days.

Why is it that housing authorities were set up at all? Could not existing public agencies have been assigned to the tasks involved? How was it possible for so many authorities to come into existence and to begin to operate successfully in so short a period? What are their powers? Under what sort of legislation do they operate? How are members of authorities appointed? Exactly what are the procedures and problems involved in the programs of the authorities?

SPECIAL AUTHORITIES ESSENTIAL

Housing authorities have been established simply and solely because they constitute the most effective local government instrumentalities for clearing slums and providing low-rent housing.

However well equipped to do so, established agencies of local government did not have the power to prosecute housing programs. By and large, such agencies were not in a position to borrow funds from the federal government for housing or use tax funds in the financing of housing programs—two indispensable arrangements—because the constitutions of many states contain limitations and restrictions on the incurring of indebtedness and use of tax funds by existing local government agencies. Even if they could borrow funds, the amount of money and inevitable debt service charges involved would be so large that few local governments would or could launch public housing programs.

Housing authorities, on the other hand, can launch public housing programs without violating the limitations and restrictions of state constitutions, without burdening city funds, and without increasing local taxation. Authorized by state legislation as independent corporate entities clothed with broad powers to undertake and finance slum clearance and low-rent housing, housing authorities offer a means of obtaining state and federal assistance for local communities.

Although they are in legal theory separate and distinct from local governments, they exist in fact primarily as instruments of the latter in the improvement of local housing conditions. Unlike regular agencies of local governments, they are able to borrow money on their own credit without involving municipal funds, without incurring expensive debt service costs, and without adding a penny to local or state taxes. To judge by the success achieved to date they constitute an eminently practical method of solving a highly complex problem. Until the present time public authorities have been created principally in connection with state programs involving highways, electrification and power, conservation of water resources, navigation and flood control, public power and irrigation projects. The success of the efforts of housing authorities may presage a day when similar agencies will be used frequently as public instrumentalities. There are already indications that housing authorities may have a far reaching influence on future local government activities.

State housing enabling laws—existing by virtue of the desire of municipalities to clear their slums and provide decent housing—generally authorize or permit communities to create housing authorities and grant the latter those powers necessary to the launching of a local housing program.

By and large, enabling legislation permits cities and counties of specified sizes to establish housing authorities designed to initiate, construct, finance, and manage low-rent housing projects; grants to such agencies tax exemption with provision for payment in lieu of taxes and enables the local government to grant annual contributions in the form of money, services, or facilities.

That there are today thirty-eight states with generally adequate housing legislation is a tribute to the determination of local citizens and their governments to clear slums and provide low-rent housing.

Not until 1933 was any similar enabling legislation to be found on the state statute books. In that year, as a result of the stimulus provided by the program of the Housing Division of the PWA, several states began to see the necessity for such legislation and in 1934 President Roosevelt wrote to the Governor of every state suggesting that consideration be given to the enactment of state legislation which would, among other things, facilitate undertaking local low-rent housing. Slowly but steadily state after state enacted enabling legislation of varying types and by December 1937 such legislation could be found on the statute books of some thirty-one states. The phrase "found on the statute books" is used advisedly; nowhere else could evidence of the laws be found. During the years 1934-1937 the future of housing was unchartered, the goal vague, and the assistance of the federal government uncertain.

Moreover, much of the legislation was inadequate or unsatisfactory. Tax exemption provisions indispensable in bringing rents within the reach of low income families were absent or indefinite in seven states (Illinois, Massachusetts, Alabama, Delaware, Montana, New Jersey, and Wisconsin). In others, only a limited number of cities were permitted to create housing authorities; the Michigan, Wisconsin, and Texas laws, for example, permitted the establishment of authorities by only one city in each state. The laws of New Jersey and Wisconsin were so amended in passage that they became open to serious legal objections. A good deal remained to be done in 1937 when Congress authorized the USHA to extend financial assistance to duly authorized local housing authorities.

During the past year and a half, however, almost all of the inadequate laws have been revised and, in addition, a number of new laws enacted.

For the sake of the record it should be noted that the following states enacted legislation before 1937: Montana, Colorado, Nebraska, Wisconsin, Illinois, Louisiana, Michigan, Ohio, Kentucky, Tennessee, Alabama, South Carolina, North Carolina, West

Virginia, Pennsylvania, New York, Massachusetts, Connecticut, Rhode Island, and Delaware. In the years 1937 and 1938 legislation was enacted in Oregon, California, North Dakota, Texas, Arkansas, Mississippi, Florida, Georgia, Virginia, Vermont, Indiana, New Jersey, and Maryland. Since the beginning of 1939 legislation has already been enacted in Washington, Idaho, Arizona, New Mexico, and Missouri, and amendatory and supplementary bills passed in Alabama, Connecticut, Georgia, North Carolina, Oregon, Rhode Island, South Carolina, Tennessee, and Vermont.

COURT DECISIONS FAVORABLE

From time to time efforts have been made to check the programs of various authorities by challenging the constitutionality of state enabling legislation, but in every instance the courts have handed down decisions favorable to the cause of public housing, for all its newness and novelty. The basic powers extended to local authorities through state housing laws have been upheld by the Supreme Courts of the following states: Alabama, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Montana, New York, North Carolina, Pennsylvania, South Carolina, and Tennessee. In two cases—New York and Kentucky—favorable decisions were rendered even before the inauguration of the present housing program. The decisions handed down to date have covered such issues as the powers and privileges of the authorities, the delegation of legislative power, the tax exemption of the property and bonds of the authorities, the public purposes of low-rent housing and slum clearance, the power to exercise the right of eminent domain, and the arrangements for coöperation between the local authorities and the municipalities in which they operate.

Particularly significant are the profound implications of decisions in New York, Kentucky, North Carolina, Louisiana, Pennsylvania, and Florida, sustaining statutes essentially similar to those in most of the states with enabling legislation. In the case of *New York City v. Muller*, the Court of Appeals of New York handed down a notable decision holding that low-rent housing is a proper public function for the following reasons:

> The fundamental purpose of government is to protect the health, safety, and general welfare of the public. All its complicated activities have that simple end in view. Its power plant for the purpose consists of the power of taxation, the police power, and the power of eminent domain. Whenever there arises in the state a condition of affairs holding a substantial menace to the public health, safety, or general welfare, it becomes the duty of the government to apply whatever power is necessary and appropriate to check it. There are differences in the nature and characteristics of the powers, though distinction between them is often fine. [Citing cases.] But if the menace is serious enough to the public to warrant public action and the power applied is reasonably and fairly calculated to check it, and bears a reasonable relation to the evil, it seems to be constitutionally immaterial whether one or another of the sovereign powers is employed.

Under typical state legislation consideration is given to the need for a housing authority by a community's governing body upon the petition of at least twenty-five local residents or upon the passage of a resolution of the governing body at its own motion.

If required, a public hearing is held and pro and con testimony submitted by representatives of civic organizations, realty interests, trade unions, social welfare groups, women's clubs, etc. The public interest evinced and facts presented at this stage constitute the basis for the adoption or rejection of a resolution by the governing body declaring that there is need for a housing authority and pointing out the general extent of insanitary and unsafe dwelling accommodations or shortage of decent accommodations at rents low-income families can afford to pay.

When the governing body adopts a resolution stating that there is need for a housing authority, it automatically notifies the mayor of its action. Upon receiving the resolution the mayor proceeds to establish a housing authority; in several of the states with state housing boards he is not permitted to do so until approval has been given by the board. Usually the mayor's first action is the appointment of five persons as members of the authority. In the case of counties, the appropriate governing body is empowered to appoint, after the passage of the necessary resolution, five persons as members of the authority. Sometimes approval of appointments must be made by the city council or the legislative body of a county. In several states appointments to local housing authorities must be approved by the state housing board; in Massachusetts one member of each local housing authority is appointed by the state board. Pennsylvania's state law provides for various processes of appointment for various types of cities. In Philadelphia, the state's only first class city, two members are appointed by the city comptroller, two by the mayor, and the fifth by the four already appointed; in Pittsburgh, the state's only second class city, all five members are appointed by the mayor; in all other cities, three members are appointed by the governor and two by the mayor.

Usually the initial five members of an authority are appointed for overlapping five-year terms of office, except that all vacancies are filled only for unexpired terms. There are two exceptions in this connection: in Delaware there are six members of an authority and in California, because of constitutional limitations, the terms of members are four years.

BUSINESS AND LABOR ON BOARD

In the appointment of members of an authority, an effort is made to select persons who represent every major local interest, thereby assuring well balanced policies and programs. Citizens from almost every walk of life are to be found among the 1,180 members of the present 236 authorities. The majority are business men engaged in real estate, retail merchandising, manufacturing, banking, and finance. Since the authorities are faced with problems in many ways similar to those of large business corporations, the business man's experience and knowledge is proving of immense value. Because the low-rent housing program is designed in part to provide employment and because the coöperaton of labor is indispensable to the success of that program, it is altogether appropriate that a sizable number of members are trade union leaders. Lawyers are also among those who contribute valuable experience and knowledge. In communities in which housing conditions of Negroes constitute a distinct problem, a Negro leader is sometimes appointed to the authority.

Matters of policy are decided by the authority as a whole and responsibility is in principle divided equally among all members, a factor which tends to assure the success of the local program. It is, of course, frequently necessary and advisable to delegate specialized duties to individual members who are particularly qualified to pass on certain matters. For example, a member of the housing authority active in trade union circles is usually called upon for advice in connection with labor phases of the program.

The members of an authority may be considered similar to the board of directors of a corporation. They have the sole responsibilty for carrying out the purposes of the authority—although in a very few states it is necessary to obtain the approval of certain actions by the state housing board.

Generally, members of an authority may not be officers or employees of the city or county for which the authority is created. They do not receive compensation for their services, but are entitled to payment for any expenses incurred in the discharge of their duties. Moreover, no member (or employee) of an authority may have any direct or indirect interest in property, materials, or services used in connection with a housing project. A member of an authority may be removed by the mayor or the governing body of a county for inefficiency, neglect of duty or misconduct in office; however, he must be given a hearing and a fair opportunity to present his case.

The following table shows the extent to which USHA has endeavored to spread its funds evenly among the cities of the various states.

State	*Number of Authorities*	*Authorities With USHA Commitments*	*Total USHA Commitments*
Alabama	10	5	$11,572,000
California	5	4	50,682,000
Colorado	2	2	4,132,000
Connecticut	6	6	19,450,000
Delaware	1	1	2,100,000
District of Columbia	1	1	15,000,000
Florida	13	9	12,877,000
Georgia	11	7	26,132,000
Hawaii	1	1	3,400,000
Illinois	6	3	20,059,000
Indiana	23	12	12,049,000
Kentucky	7	6	19,602,000
Louisiana	1	1	25,311,000
Maryland	4	3	23,928,000
Massachusetts	10	10	50,732,000
Michigan	4	3	35,000,000
Mississippi	4	4	3,146.000
Montana	4	4	2,234,000
Nebraska	1	1	4,243,000
New Jersey	26	11	34,513,000
New York	11	6	70,630,000
North Carolina	3	3	5,595,000
Ohio	14	11	64,574,000
Pennsylvania	15	9	60,444,000
Puerto Rico	5	4	12,000.000
South Carolina	4	4	7,015,000
Tennessee	6	4	15,671,000
Texas	15	10	34,437.000
Vermont	1	1	436,000
Virginia	3	1	1,500,000
West Virginia	10	7	7,500.000
Wisconsin	2	1	675,000

Editor's Note. This is the first of two articles on municipal housing authorities. The second will appear in the July issue of the Review.

A Legislative Council for Maryland

By **HUGH A. BONE**, *University of Maryland*

Newly created body launches career in favorable atmosphere; has almost unanimous support of Governor, public officials, and dominant political party.

ON APRIL 3rd, the last day of the 1939 session, the Maryland General Assembly took time out of its twenty-three-hour legislative day to choose the members of its first legislative council. The "Free State" now places itself in the same category as Connecticut, Illinois, Kansas, Kentucky, Michigan,[1] Nebraska, and Virginia in attempting to prepare and formulate important lines of public policy prior to the convening of the legislature.[2]

The proposal had a rather unusual evolution. It was first placed in the 1938 state Democratic party platform at the insistence of gubernatorial candidate Herbert R. O'Conor. He made occasional references to it in his campaign addresses. Again he alluded to it in his inaugural address. In the opening days of the session in January, Senator Dudley Roe, majority floor leader, introduced a bill for the creation of a council. After several hearings and rather spirited debate it was passed by both houses in March. It survived amendment in all but two important particulars, the power of subpoena and the amount appropriated for the activities of the council. Without waiting for the Governor's signature to be affixed the presiding officers, a few hours before adjournment, appointed the members of the council.

The council is composed of fifteen members. Fourteen are legislators, seven being chosen from each house. The statute prescribes that the presiding officer, the chairman of the Finance Committee, the chairman of the Judicial Proceedings Committee, and the minority floor leader of each house shall be on the council. Three additional members from each house are chosen by the speaker of the House and president of the Senate respectively. At least one of these three from each house must be a member of the minority party. The act provides that appointments are to be so distributed as to make the council representative of all sections of the state and of the relative party membership in each house. The president of the Senate is designated as chairman.

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[1] When this article was prepared the Michigan council, although inoperative, was none the less on the statute books as a functioning agency. As the article goes to press, however, word has been received that the legislature has voted the council out of existence. This occasions no surprise since the Republican Governor after taking office in 1935 expressed his hostility to the council and recommended its abolition. The following year its appropriations were reduced by 60 per cent. With the return of the Governor and many of his supporters to office in 1939, the abandonment of the council seemed to be only a matter of time. The Michigan council was among the first to be created and has received considerable publicity. The writer has therefore decided to retain, for purposes of comparison, the few references made herein to that body. See also page 470.

[2] Wisconsin has an Executive Council which is an advisory body to the Governor on legislative matters. Colorado and New Mexico have a Committee on Interim Legislative Committees which appoints various interim committees to conduct surveys and submit the material to them. The committee then reports such data to the next session of the assembly. Strictly speaking, however, these three states do not have legislative councils although these bodies assume many of the functions of a legislative council.

The term of the council is to be two years or until such time as its successors are named. Inasmuch as the term of the members of both houses of the Maryland legislature is four years, the membership of the council will remain essentially the same for four years.

Four of the fourteen members are Republicans and the remainder Democrats. All but two have served at least six years in the General Assembly, and eleven of the fourteen have attended college. This presents a rather imposing array of experience and education. Baltimore contains half the population of the state and has six members on the council. This is in welcome contrast to its representation in the General Assembly wherein it is outnumbered about four to one.

The composition of the Maryland Legislative Council may be compared with other states in the following table:

COMPOSITION OF LEGISLATIVE COUNCIL

State	Established	Size of Legislature	Number of Legislators on Council			Number of Ex Officio or Lay Members	Governor a Member
			Senate	House	Total		
Connecticut	1937	302	2	2	4	1	Yes
Illinois	1937	204	10	10	20	2	No[b]
Kentucky	1936	138	8	8	16	5	Yes[b]
Kansas	1933	165	10	15	25	2	No[b]
Maryland	1939	149	7	7	14	1	No
Michigan	1933	132	4	5	9	0	No
Nebraska	1937	43			15	0	No
Virginia	1936	140	3	4	7[a]	2	No

[a] Governor appoints all members at least five of which must be from the legislature.

[b] Lieutenant Governor a member.

In view of the high turnover in the Maryland legislature several interested groups appearing at the hearings urged that the council be at least as large as the one in Kansas. It was pointed out that 91 of the 149 members of the 1939 General Assembly are without previous legislative experience. The legislature disregarded this suggestion and chose a middle course in the matter of size.

The act provides for a research division of the council, and the director of the Department of Legislative Reference is designated as "secretary and director of the research of the council." This fifteenth and very important position will be filled by Dr. Horace Flack, who since 1907 has efficiently directed the Department of Legislative Reference. This department is rather unique in that it is an agency of both the city of Baltimore and the state of Maryland. Its main office and library are located in the city hall in Baltimore. When the legislature is in session the officers and several of the staff move to Annapolis and locate their offices in the state house. It has been estimated that this department drafts not less than two-thirds of all the bills introduced in the city council of Baltimore and in the Maryland legislature.

Besides this bill drafting function the department provides very useful library facilities and conducts extensive research projects. With this close connection between the Legislative Council and the Department of Legislative Reference, Maryland may look forward to a greater degree of efficient planning and research.

The initial bill provided only $10,000 each biennium for the expenses of the council. Fortunately, the lower house raised this figure to $20,000 for the same period, and the amendment was accepted by the Senate.[3]

FUNCTIONS

The major functions of the council are not unlike those of other states. Specifically, the council is authorized: to collect information concerning the government and welfare of the state; to examine the operation of previously enacted legislation and the common law and of the state constitution and recommend amendments thereto; to supervise and study the work of interim committees appointed at the direction of the General Assembly or of either house; to study the rules and procedure of each house and from time to time recommend changes therein to improve and expedite the consideration of legislation by the assembly; and to prepare and submit to the General Assembly a legislative program in the form of recommendations or bills which, in the council's opinion, the welfare of the state requires.

One highly conspicuous omission occurs in the functions granted to the Maryland council. It is not specifically authorized to enter the vast field of governmental reorganization. Section three of the Nebraska act provides for comprehensive functions of this type and is worthy of citation as a model.

> Section 3. It shall be the duty of the council: (a) to investigate and study the possibilities for consolidations in state government for elimination of all unnecessary activities and of all duplication in office personnel and equipment, and of the coördination of department activities, or of methods of increasing efficiency and effecting economies; (b) to investigate and study the possibilities of reforming the system of local government with a view to simplifying the organization of government; (c) to study the merit system as it relates to state and local government personnel; (d) to coöperate with the administration in devising means of enforcing the law and improving the effectiveness of administrative methods; (e) to study and inquire into the financial administration of the state government and the subdivisions thereof, the problems of taxation including assessment and collection of taxes and the distribution of the tax burden.

Kansas, Michigan, and Connecticut have similar provisions for their councils, but the Maryland statute has included none of these matters within the jurisdiction of its council. Did the sponsors of the Maryland bill intend that the general clauses of the act would permit the council to enter the entire field of governmental reorganization? Must investigation of administrative reorganization and law enforcement and remedial proposals still remain, as in the past, in the hands of numerous *ad hoc* special commissions and select committees? After careful perusal of the statute one might answer in either the affirmative or the negative. At the outset this lack of specific authority would seem to be a very serious omission were it not for a number of mitigating factors.

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[3] The authorized biennium appropriation for the councils in other states show: Connecticut, $50,000; Illinois, $10,000; Kentucky, $20,000; Kansas, $50,000 ($40,000 for research department); Michigan, $10,000 (reduced to $4,000 annually beginning 1936); Nebraska, $15,000; Virginia, $30,000.

This deficiency is partially remedied by giving the council power to receive recommendations and suggestions for legislation from any board, commission, department, or office of the state or local government. Also, the council may call on any department, board, or commission to make such studies for the council or for the director of research as may be requested, and to report to the council any recommendation which it expects to present to the General Assembly. At this point an amendment was added to the bill providing that nothing in the act shall prevent any state department from making a supplementary report to the legislature accompanied by the appropriate bill. Also, comparable to most other states, Maryland permits any member of the General Assembly to attend any of the sessions of the council and to present his views on the subject which is under consideration.

The establishment of a special research division within the council will also help to compensate for the lack of adequate authority to handle reorganization. Dr. Flack's experience in a research capacity as well as his codification of the laws of Maryland during the last two decades should prove invaluable. As director of research he may employ such assistants and issue such reports as he deems necessary and justified. These activities are certain eventually to lead to the door through which many of Maryland's legislative ills enter, namely, local legislation and vicious state legislative interference with the counties and municipalities. Within the research division of the council would seem to lie the greatest opportunity for giving impetus to county and municipal home rule and increasing legislative efficiency.

The original bill included provisions for subpoena and for the production of papers, documents, and accounts. The council could cause the deposition of witnesses residing either within or without the state to be taken in a manner prescribed by law. The Senate deleted this entire section and the House failed to restore it. Illinois and Virginia are the only other states who have failed to give this power to their councils. It is too early in either of these two cases to ascertain whether or not this lack of power has seriously hampered the effective operation of the council. At any rate the initial proponents of the bill in Maryland expressed keen disappointment over this amendment.

RELATIONSHIP TO GOVERNOR

The act makes but one reference to the Governor. It permits him to send messages from time to time containing his recommendations for legislation and explaining the policy of his administration on any matter. No special provisions have been made for coöperation between the council and such research agencies as the Maryland State Planning Commission and the Judicial Council. Unlike the Kansas Legislative Council the research division is under no instructions to assist the Governor on his legislative program. On the surface at least, legislative intent in Maryland seems not to have been to foster closer relationship between the executive and the legislature.

It should be pointed out that because of the newness of legislative councils the status and influence of governors in the other council states is still somewhat vague. Some states having councils may even question whether the council should render any service to the Governor along the line of ex-Governor Philip F. LaFollette's Executive Council. However, in those states where the Governor has little formal relationship with the council, he may resort, as in regular sessions of the legislature, to conferences and unofficial meetings with influential members and party leaders on the council. Time will reveal whether or not the relationship between the executive and the legislature in Maryland will be improved by the council.

REPORTING

The Maryland council (and all other councils except that of Michigan) is required to complete and make public its recommendations and research reports at least thirty days prior to the legislative session. It is instructed to mail these reports to each newly elected state officer and each member of the General Assembly. In addition to this rather full public reporting the council must also keep minutes of its meetings and make periodic reports to all members of the legislature, notifying them on all matters which are before the council and the progress incident thereto. If this provision is efficiently complied with, the knowledge of state problems on the part of both constituents and legislators will be considerably increased.

CONCLUSIONS

The act providing for Maryland's council is more notable for its omissions than for its inclusions. In regard to composition, method of choosing personnel, and relationship with the Governor, it disregards the provisions of the *Model State Constitution* of the National Municipal League. From a legal standpoint it is clearly a *legislative* council subject only to legislative control. It seems not to have been given ample power to assume the initiative in legislation designed to reorganize the state's political subdivisions and legislative control thereof, or the revamping of the administrative and judicial branches of the government.

The council begins its activities in a favorable atmosphere. It has almost unanimous support of public officials, executive departments, and the political party in power. Responsible citizens' organizations and the major newspapers are also supporting it. This support is given because of dissatisfaction with the activities of the current legislature which were characterized by one newspaper as "Annapolitan antics." It was noted in this connection that the legislature set an all time record by introducing 1354 bills and approving 774. The legislature lost much time at the beginning in getting started on pertinent business. At the end of the first sixty days of its limited ninety-day session only fifty bills had been passed which means that over seven hundred bills went through the legis-

(Continued on Page 484)

County Consolidation by Starvation?

By CULLEN B. GOSNELL, *Emory University*

Losses to Georgia counties because of homestead and personal property exemptions amount to $1,800,000; unless state comes to their rescue counties may be forced to consolidate in order to reduce costs.

THE question of tax exemption and limitation has been a lively issue in Georgia for several years. In 1935 a constitutional amendment was proposed in the General Assembly which provided for a homestead exemption of $5,000, but it failed to pass. The General Assembly, however, did propose a fifteen-mill overall tax limitation on tangible property and sent it to a referendum of the people in November 1936. This amendment also failed of ratification. Mr. E. D. Rivers, in his successful campaign for governor in 1936, promised the people that if he were elected he would do his utmost to bring about homestead and personal property exemptions.

True to his promise, Governor Rivers urged the General Assembly at its 1937 session to propose a constitutional amendment providing for homestead and personal property exemptions. The result was that a resolution calling for exemption on homesteads of $1,250 minimum and $2,000 maximum and exemption of $300 maximum on household and kitchen furniture was duly passed. This proposed amendment was ratified by the people at a special election in 1937 and put into effect at a special legislative session in the fall and winter of 1937-1938. The enabling act provided for a maximum exemption of $2,000 on homesteads, the exemption applying to state, county, and school district taxation, but not to municipal corporations.

Although these exemptions have been in operation for only a year, some of their effects may be analyzed with profit at this early date.

Advantages of the exemptions might well be set forth first. Undoubtedly it is true that the tax system of Georgia was and still is obsolete. Too much dependence has been placed on the general property tax. Property has borne too heavy a share of the tax burden. The homestead and property exemptions have relieved property owners to a considerable degree. More reliance is now being placed on income and luxury taxes. Eventually, as the need becomes more pressing, the whole tax system must be completely overhauled and modernized. In the past year Georgians have become more tax conscious and have begun to study the tax system more seriously.

In the second place, as the revenues of the counties of Georgia are seriously curtailed the demand for county consolidation will be accentuated.[1] Perhaps it is necessary to put the counties on a starvation ration in order to effect desired reforms. There are 159 counties in Georgia and only a few of them are able to pay their own way. Having 159 counties

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EDITOR'S NOTE: This is the second of two articles by Dr. Gosnell and the last in a series of three on Georgia counties. See NATIONAL MUNICIPAL REVIEW for April and May 1939.

[1] See "Georgia Counties Face Financial Dilemma," by Dr. Gosnell, NATIONAL MUNICIPAL REVIEW, May 1939.

(fully a hundred too many), each maintaining a large number of county officers, is an extravagance that the people can ill afford. County government in Georgia in 1936 cost more than $26,000,000. Reasonable consolidation of county units would save the taxpayers many millions of dollars.

Unless county consolidation is effected, there will surely be more state centralization as a result of the exemptions. County consolidation is possibly the only way to preserve local self-government and it must be sweeping and drastic.

Again, the exemptions may bring about much needed improvement in tax administration. As Dr. Lloyd B. Raisty says:

"As a matter of fact, it would be no exaggeration, at least for the majority of the counties, to say that by applying adequate valuations to properties already on the digest, by searching out property that has been evading the tax receiver, and by instituting vigorous tax collection campaigns, they would more than recover their exemption losses."[2]

It is estimated, Dr. Raisty points out, that as much as 30 per cent of taxable property in Georgia is not on the books. Furthermore, tax delinquencies are very large in certain counties, ranging as high as 86 per cent in Crawford County. The sheriff of a medium-sized county told the writer that if he had the necessary injunction powers, he could collect at least $90,000 in back taxes. Possibly the counties will now clean house unless the state softens and makes up the losses.

HOME OWNERSHIP EASIER

Another good effect of the homestead and personal property exemption is that home and land ownership by certain poor people is made easier. Certainly this is needed in Georgia. There is probably nothing that makes for better citizenship so much as does home ownership. The home owner is more likely to be interested in his government. Just about one-third of the people of Georgia own their own homes. In 1930 over 68 per cent of Georgia farmers were farm tenants. Tenant farming carries with it soil erosion, human erosion, low incomes, and many other undesirable features. If homestead and personal property exemptions mean more home and land ownership, it would seem that this alone might justify them.

Now as to the deleterious effects of the exemptions—and these are many. Georgia today is experiencing a general breakdown of its entire public financing system. The General Assembly, at the same time that it passed the enabling act putting exemptions into effect, practically doubled the grants from the state treasury to schools. It undertook to guarantee a seven-months school year all over Georgia. The annual appropriation for public health work was hiked from $100,000 to approximately $600,000 and heavy social security allotments were voted. While the total budget for 1938 was $42,934,264.15, it amounted to over $48,000,000 in 1939.

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[2] *Homestead Exemption Problems in Georgia*, Lloyd B. Raisty, Institute for Study of Georgia Problems, Pamphlet No. 2, University of Georgia, February 1939.

Although the General Assembly made these appropriations, it did not provide sufficient revenue to meet them. According to the State Auditor, the result will be a deficit of $8,700,000 by June 30, 1939. Governor Rivers brought all manner of pressure on this year's General Assembly to provide money from new tax sources—general sales tax, gross income tax, etc.—but that body adjourned on March 19th without taking action.

Since most of the available state money has already been paid out, the burden of keeping the schools open has largely been thrown back on counties and cities. Many schools have been closed and many of those still operating have cut teachers' salaries to the bone. In many school systems the teachers have not been paid for several months. There have been heavy cuts also in the Departments of Public Welfare and Highways.

REPLACEMENT OF LOSSES

According to a report of the State Revenue Department, the losses to counties in Georgia in 1938 as a result of tax exemptions amounted to $1,876,184. These losses were made up largely by Governor Rivers through distribution of discounted rentals from the Western and Atlantic Railroad amounting to $1,213,474.[3] This money was distributed equally to the counties. But no provision has been made since 1938 to take care of losses despite promises made by the Governor that he would try to replace them. A 2 per cent general sales tax introduced in the House of Representatives called for allocation of one-third of the revenue to the counties, but the bill failed of passage.

It is now necessary for many of the counties to increase their tax rates to take care of losses caused by tax exemptions. It is in the counties where properties are small that exemptions have wreaked havoc. Small counties like Forsyth, Union, Fannin, and Towns were hit hardest of all. The accompanying table, prepared by the State Department of Revenue, shows losses by counties in 1938 and the additional millage necessary to replace them.

Certain counties of North Georgia have suffered most as has already been pointed out. Dr. Raisty estimates the percentage of losses in some of these counties to be as follows:[4] Catoosa 60, Bacon 53, Dawson 50, Fannin 62, Forsyth 52, Towns 57, and Union 64.

Dr. Raisty suggests several methods for making up the losses to the counties, any one of which would suffice. (1) Improvements of tax administration: this has already been discussed. (2) Outright transfer of county functions to the state, i. e., health work, social security, and the superior courts. This would relieve the counties, Dr. Raisty contends, of $2,400,000 in costs or more than enough to make up for tax exemption losses. (3) Allocation of state funds: by allocating one cent more of the gas tax, over $3,000,000 would be provided for the counties. (4) The state to retire entirely or partially from the field of ad valorem taxation.

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[3] The state of Georgia owns the Western and Atlantic Railroad. It is leased to the North Carolina and St. Louis Railway Company.

[4] *Ibid.*, p. 6.

Thus it can be seen that needed services suffer in Georgia as a result of homestead and personal property exemptions. Nevertheless, if the Georgia legislature performs its task properly, there is no doubt but that the long-time results may be good. If county consolidation is effected, if the much needed tax revision is brought about, if the counties improve their tax administrative systems, and if further state government reorganization is made possible, then the immediate dire effects of homestead property exemptions will, indeed, be more than overcome.

LOSSES TO GEORGIA COUNTIES CAUSED BY HOMESTEAD AND PERSONAL PROPERTY EXEMPTIONS

County	Losses During 1938 Under Exemption Laws	Additional Mills Necessary for Counties to Levy in 1939 to Replace Losses
Appling	$12,056.54	7.84
Atkinson	5,569.69	11.23
Bacon	1,870.44	2.07
Baker	5,289.34	5.42
Baldwin	12,203.26	4.56
Banks	6,254.13	8.35
Barrow	9,310.33	6.47
Bartow	15,067.99	3.25
Ben Hill	9,161.83	4.53
Berrien	8,062.80	4.93
Bibb	73,852.68	2.34
Bleckly	8,648.90	7.12
Brantley	2,384.52	4.02
Brooks	9,426.16	3.00
Bryan	3,297.11	3.31
Bulloch	10,628.36	3.44
Burke	6,589.57	1.65
Butts	3,024.68	2.75
Calhoun	4,932.81	3.38
Camden	932.55	.82
Candler	6,629.61	6.15
Carroll	26,318.66	6.83
Catoosa	7,971.03	9.12
Charlton	1,916.30	1.94
Chatham	52,204.32	1.10
Chatoga	10,098.50	3.23
Cherokee	10,553.83	2.64
Chattahoochee	1,389.48	5.54
Clarke	10,226.86	.91
Clay	1,100.01	1.68
Clayton	9,526.20	9.14
Clinch	1,214.48	1.30
Cobb	30,431.09	4.88
Coffee	13,134.99	4.95
Colquitt	*10,933.21*	*2.02*[a]
Columbia	2,023.50	3.56
Cook	4,526.08	1.24
Coweta	7,059.51	3.99
Crawford	3,001.71	2.65
Crisp	8,437.13	6.68
Dade	3,946.68	12.45
Dawson	3,529.75	3.56
Decatur	11,508.72	5.18
DeKalb	112,012.70	6.72
Dodge	18,961.49	3.29
Dooly	8,202.60	.04
Dougherty	390.04	8.96
Douglas	7.384.47	3.26
Early	7,760.25	2.01
Echols	714.28	6.89
Effingham	8,959.51	5.65
Elbert	16,099.73	2.46
Emanuel	6,877.35	9.27
Evans	4,741.89	12.40
Fannin	9,653.66	3.55
Fayette	2,494.55	1.23
Floyd	17,169.84	15.50
Forsyth	10,820.14	6.57
Franklin	9,289.64	1.41
Fulton	325,343.96	7.75
Gilmer	4,967.67	5.51
Glascock	2,054.43	5.70
Glynn	5,061.34	.58
Gordon	10,394.41	5.45
Grady	15,138.97	8.77
Greene	3,234.24	1.63
Gwinnet	20,039.26	6.79
Habersham	7,370.22	4.19
Hall	8,858.46	1.16
Hancock	2,843.32	2.22
Haralson	12,655.82	8.92
Harris	3,707.82	3.75
Hart	8,393.00	6.56
Heard	5,641.44	9.80
Henry	11,500.79	5.63
Houston	4,583.90	2.22
Irwin	11,373.23	8.55
Jackson	11,495.44	5.37
Jasper	3,646.21	3.64
Jeff Davis	5,364.54	5.31
Jefferson	6,471.63	3.31
Jenkins	7,107.66	7.08
Johnson	5,009.65	4.17
Jones	4,097.64	5.37
Lamar	5,537.66	4.01
Lanier	3,468.94	7.56
Laurens	25,391.23	4.42
Lee	2,278.66	1.42
Liberty	2,998.99	3.86
Lincoln	6,565.53	9.20
Long	1,929.22	3.58
Lowndes	11,564.83	1.72
Lumpkin[b]		
Macon	2.525.42	1.15
Madison	8,205.46	3.76
Marion	4,176.54	5.24
McDuffie	3,826.50	2.77
McIntosh	967.79	.70
Meriwether	7,784.04	3.01
Miller	8,060.46	7.04
Mitchell	20,454.31	7.25
Monroe	7,464.40	4.35
Montgomery	7,213.05	8.77
Morgan	4,283.34	1.99

County	Losses During 1938 Under Exemption Laws	Additional Mills Necessary for Counties to Levy in 1939 to Replace Losses
Murray	4,102.34	4.31
Muscogee	1,910.06	.06
Newton	6,775.75	1.81
Oconee	3,990.06	4.99
Oglethorpe	9,615.37	5.70
Paulding	8,933.15	8.96
Peach	6,105.75	2.95
Pickens	811.03	.55
Pierce	4,544.86	3.30
Pike	5,858.92	5.75
Polk	11,690.77	2.04
Pulaski	4,441.75	2.38
Putnam	3,095.68	2.72
Quitman	1,604.42	4.12
Rabun	919.03	1.08
Randolph	9,459.37	4.71
Richmond	66,970.54	1.87
Rockdale	4,813.87	4.17
Schley	1,155.98	1.86
Screven	8,633.43	4.83
Seminole	3,305.22	3.13
Spalding	16,290.10	2.59
Stephens	3,687.78	3.13
Stewart	3,520.06	2.30
Sumter	8,158.53	1.76
Talbot	3,261.60	3.82
Taliaferro	2,520.64	3.80
Tattnall	6,605.12	4.61
Taylor	5,747.45	6.19
Telfair	8,613.23	4.48
Terrell	10,742.52	4.48

County	Losses During 1983 Under Exemption Laws	Additional Mills Necessary for Counties to Levy in 1939 to Replace Losses
Thomas	15,412.83	2.19
Tift	13,224.60	4.79
Toombs	6,321.03	2.86
Towns	3,405.16	13.69
Treutlen	5,035.82	6.02
Troup	19,876.00	2.54
Turner	6,196.45	4.32
Twiggs	2,869.93	3.53
Union	4,242.43	14.42
Upson	*9,287.59*	*1.54*[a]
Walker	34,595.22	8.77
Walton	11,459.86	4.10
Ware	17,614.92	3.53
Warren	2,088.69	1.75
Washington	10,424.27	3.62
Wayne	6,013.79	3.74
Webster	2,782.68	5.63
Wheeler[b]	.	
White	8,040.49	7.92
Whitfield	24,414.13	4.83
Wilcox	6,341.43	4.06
Wilkes	7,242.03	3.65
Wilkinson	4,736.67	3.82
Worth	4,998.32	1.78

[a] These figures represent an actual gain due to expiration of certain local exemptions; and these counties will therefore not need increased millage.

[b] These counties levied no taxes in 1938.

THE MAKING OF A PUBLIC SERVANT

(Continued from Page 419)

In view of the increasing emphasis on pre-entry training and the increasing demand on the part of governmental agencies for men trained in the art and science of administration, it would indeed seem that the day when administration, as such, may come into its own as a profession is not far distant. One of the most significant recent developments is the survey of personnel policies now being undertaken by a committee appointed by President Roosevelt and headed by Justice Reed of the Supreme Court. On this committee are Justice Frankfurter, William H. McReynolds of the Treasury Department, former United States Civil Service Commissioner Leonard D. White, and General R. E. Wood of the Sears-Roebuck Company. This committee has only recently appointed an advisory committee which is to work out a broad personnel policy specifically designed to promote better methods of recruitment, training, and stimulation of administrative personnel. It would seem that at long last recognition is being given to the category of public servants who actually steer the ship of government and are called upon to see to it that the steam is applied to the pistons at the right time and in the right way and that the craft goes places.

Editor's Note: This is the first of a series of articles on the teaching of public administration.

The Bonded Debt of 289 Cities as at January 1, 1939

By ROSINA MOHAUPT, *Detroit Bureau of Governmental Research, Inc.*

Comparison of figures for past five years shows long term downward trend in debt structure of cities; stationary populations, federal works program, and anxiety over high cost of government listed as reasons for decrease.

THE gross bonded debt of the 310 American cities with population of 30,000 or over is estimated at $8,402,369,000 or $179.12 per capita, as of January 1, 1939. This estimate, based on the data reported by 270 American cities, shows an increase of $41,751,000 over the previous year, but this is due largely to the influence of New York City. When this city is excluded from the estimates, the gross debt shows a decrease of $75,262,000 under the previous year. There is every indication that American cities are not adding to their debt structure except in a few instances. The general trend is toward reduced debts and debt costs.

CHANGE IN REPORTING

One major change was made in reporting the data this year. In the past there has been difficulty with the definition of a "self-supporting utility." Accuracy in this definition was desirable since this debt was excluded in computing the most significant figure of the tabulation—"the per capita net debt excluding self-supporting utilities," or the burden of the tax-supported debt.

But several difficulties arose in determining what constituted a self-supporting utility. In most cases utilities are considered as earning their way—i.e., the revenues are sufficient to pay costs of operation and debt service. The term "utility" implies a revenue base which removes such undertaking from other types of municipal activities. But accounting systems of municipalities are such that it is frequently impossible to determine accurately what constitutes self-support, and budget-makers sometimes include certain revenues to the credit of utilities to make a better showing than actual operations would indicate. Fundamental to both factors, however, is the lack of standards for comparison of self-support in various cities located either within the same state or different states. "Self-support" is an ambiguous word which has so many meanings that it has none.

In Detroit, for instance, the street railways system not only pays the entire operation costs of the system in addition to all debt service, but also pays real and personal property taxes (but no franchise tax), and hence is a true self-supporting municipal utility operated in much the same manner as a privately-owned utility. The water system in Detroit, on the other hand, pays no such taxes, although it does pay the entire cost of debt and operation of the system. Also, it supplies all water for public buildings and for the various municipal services, operates a large office building for other city departments, and undertakes other services which are estimated to more than offset the taxes which would be assessed against it. The bookkeeping system of the city does not indicate this situation. Contrasted with these two utilities, is the city-owned electric light plant which serves the street railway department and the water board, and provides current for the street lighting system and all public buildings. It is paid only for the first two services.

In other cities similar conditions exist. For instance, one city considers that its water utility is self-supporting, although the city pays the entire cost of debt service, collects no taxes from the utility, pays about $100 per hydrant annual rental charge, pays for all water used by the municipality, and performs all overhead functions for the utility.

In many American cities utility rates become a political football, and any increase in rates, especially water, is viewed as prohibitive and so rates are maintained on a less than self-supporting basis. The difference is made up from other municipal revenues, either directly or indirectly.

Perhaps the most discouraging part of this picture, with the exception of lack of uniformity, is the lack of stability in the municipal utility revenue system. One year a utility is reported self-supporting, the next year, due to economic conditions or other factors, it is shown as non-self-supporting. Under such circumstances, comparative figures on "net debt less self-supporting utilities" have little significance.

In order to overcome these difficulties, utilities have been considered in a separate category and the designation "self-supporting" has been dropped as having too little meaning. This year utilities are deducted regardless of the method by which they are financed, on the ground that in general they earn a considerable part of the cost of operation and often debt service, and at worst, their revenues need only be supplemented from other funds. The figures will be comparable over a term of years, and the intent of showing the burden of tax-supported debt will not be modified.

WHAT IS A UTILITY?

If utilities are to be considered as a group of municipal services, they must respond to a more or less inclusive definition. In the jargon of municipal administration, words are loosely used, and the term "utility" covers a wide field of municipal endeavors for which there is little justification.

For the purpose of this tabulation a utility is defined as a commercial enterprise carried on by a unit of government, which could be separated from the purely governmental functions, and which earns a considerable part of its overhead and operating costs from revenues based on a rate structure. This relatively loose definition is due principally to legislative indecision in drafting municipal utility legislation.

In general, municipal utilities enjoy certain privileges not accruing to other activities. For instance, they are often financed by revenue bonds to which are pledged the earnings of the utilities, and while frequently not faith and credit bonds these securities often enjoy a better market position. The law of municipal liability usually considers utilities in the same category as private corporations which assume full responsibilty for the acts of their agents. Utilities must usually be covered by special charters or franchises to operate on a revenue basis, and are generally immune from state control through public utility regulation bodies. In the final analysis, the essence of the definition lies in the criterion: "Could the activity be operated as a private commercial enterprise?"

In this tabulation, the municipal utilities consist of water, light and power, gas, street railways, rapid transit, port and harbor facilities, docks, sewage disposal, and similar enterprises.

PUBLIC SERVICE ENTERPRISES

Difficulties arise not so much in defining "municipal utilities" as in segregating them from a group of self-supporting activities to which the term "utility" has been incorrectly applied. In contrast to utilities, there are certain municipal functions which are self-supporting (sometimes to an even greater extent than municipal utilities), such as golf courses, swimming pools, stadiums, convention halls, airports, etc. There is a difference, however, not only in the method of operation but in the traditional development of such functions which distinguishes them from utilities. These self-supporting activities, which represent commercial enterprises on a lesser level than the utility, have been termed "public service enterprises" for the purposes of this tabulation.

Just as an all-inclusive definition of a utility is complicated by the consideration of public service enterprises, so is it difficult to distinguish these latter functions from other municipal activities which are to all intents and purposes self-supporting. For instance, municipal courts, building and safety engineering departments, workhouses or city prisons, city markets, and other municipal activities can be and are self-supporting to the same degree as public service enterprises.

For the purpose of this tabulation, however, it is considered essential to segregate the utilities only, leaving all other types of activities, whether supported by taxes or other revenues, to be grouped as general obligation debt, of which the major portion is supported from tax funds.

CHANGES IN THE TABULATION

The change in the concept of a "utility" has caused a change in the per capita figures shown this year. As a matter of fact, however, only some fifty cities of the 270 reporting are affected by the change, since the utility debt of the remaining cities is all self-supporting. Table I shows the change in the group I and II cities—of the twenty-five cities in these two groups the net and per capita debt less utilities differs from the net and per capita debt less *self-supporting* utilities in only ten cities. The greatest change occurs in New York City where the docks and rapid transit system are not self-supporting.

Similar data is available upon request for all fifty cities which are affected by the change in definition.

TABLE I

Per Capita Net Debt Less Utilities, January 1, 1939

Population Group	*City*	*Per Capita Debt Less Utilities*	*Per Capita Debt Less Self-supporting Utilities*
I	New York City	$126.38	$235.64
	Chicago, Ill.	95.95	97.03
	Detroit, Mich.	156.67	170.41
	Los Angeles, Calif.	88.84	95.76
	San Francisco, Calif.	78.33	111.16
II	Minneapolis, Minn.	116.36	130.74
	Cincinnati, Ohio	92.69	74.03
	Newark, N. J.	135.69	183.33
	Kansas City, Mo.	109.70	144.93
	Portland, Ore.	72.37	72.08

The 270 American cities which submitted complete debt figures show a gross debt of $8,179,762,000, but few valid deductions can be drawn from this figure because some of these cities did not report in the previous year.

More significant are the data from 249 American cities which reported in both 1938 and 1939 as shown in table II.

The influence of New York City is apparent from table II. While there is an increase of $64,100,000 in the total gross bonded debt of the 249 cities over the previous year, if New York City is excluded, a decrease of $52,900,000 for the other 248 cities results. Likewise, the net bonded debt less utilities (computed differently from former years) shows little change for all the cities, but a decrease of about $50,200,000 when New York City is excluded.

The per capita figures for the same data, using the 1930 population, are shown in table III.

Table IV, showing the per capita increases and decreases in debt for two successive years, indicates that except for group III and IV cities the gross bonded debt has decreased in 1938 at a greater rate than in the previous year. The increase in the gross debt of group IV cities is due

TABLE II

Total Gross and Net Bonded Debt—1938-39

249 Comparable American Cities (in thousand dollars)

Population Group	*Gross Bonded Debt*		*Net Bonded Debt Less Utilities*	
	1938	*1939*	*1938*	*1939*
I	$5,034,431	$5,099,347	$2,514,581	$2,523,118
I[a]	2,654,009	2,601,912	1,691,807	1,647,247
II	730,247	714,913	466,411	457,216
III	1,392,872	1,391,346	925,471	927,291
IV	540,691	558,977	409,387	410,319
V	288,675	286,430	213,873	214,694
Total	7,986,916	8,051,013	4,529,723	4,532,638
Total[a]	5,606,494	5,553,578	3,706,949	3,656,767

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[a] Excluding New York City

TABLE III

PER CAPITA GROSS AND NET DEBT—1938-39
249 COMPARABLE AMERICAN CITIES

Population Group	*Population*	*Gross Bonded Debt*		*Net Bonded Debt Less Utilities*	
		1938	*1939.*	*1938*	*1939.*
I	20,828,542	$241.71	$244.82	$120.73	$121.14
I[a]	13,898,096	190.96	187.21	121.73	118.52
II	4,200,512	173.85	170.20	111.04	108.85
III	10,927,459	127.47	127.33	84.69	84.86
IV	4,806,891	112.48	116.29	85.17	85.36
V	3,292,010	87.69	87.01	64.97	65.22
Total	44,055,414	181.29	182.75	102.82	102.88
Total[a]	37,124,968	151.02	149.59	99.85	98.50

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[a]Excluding New York City

TABLE IV

PER CAPITA BONDED DEBT—TWO-YEAR COMPARISON

	Gross Bonded Debt				*Net Debt Less Utilities*			
	1937 and 1938		*1938 and 1939*		*1937 and 1938*		*1938 and 1939*	
Population Group	*Increase*	*Decrease*	*Increase*	*Decrease*	*Increase*	*Decrease*	*Increase*	*Decrease*
I			$3.11				$ .41	
I[a]		$2.12		$3.75		$3.37		$3.21
II		2.28		3.65	$ .02			2.19
III		1.27		.14		1.52	.17	
IV		1.48	3.81			1.33	.19	
V	$ .41			.68	.53		.25	
Total			1.46				.06	
Total[a]		1.59		1.43		1.84		1.35

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[a]Excluding New York City

TABLE V

CHANGES IN GROSS AND NET DEBT BY NUMBER OF CITIES—1938-39
249 COMPARABLE AMERICAN CITIES

Population Group	*Gross Bonded Debt*			*Net Debt Less Utilities*		
	Increase	*Decrease*	*Same*	*Increase*	*Decrease*	*Same*
I	3	8	2	3	8	2
II	5	5	1	4	5	2
III	30	34	4	30	33	5
IV	24	41	7	28	40	4
V	33	46	6	34	45	6
Total	95	134	20	99	131	19

to a large increase ($17,000,000) in the utility debt of three cities. As shown in table V the majority of all cities show a decrease in gross debt. The decrease is apparently due, however, to the retirement of utility debt, because the net debt less utilities, showing roughly the tax-supported debt, indicates slight increases except the group I and II cities, where relatively large decreases are shown (excluding New York from the group I cities). This modifies to some extent the trend of the previous year, but in general there has been an uninterrupted trend in the past few years toward a reduced debt structure in the American cities included in this tabulation.

Some idea of the changes in the debt structure is given in table V.

This table confirms the general

TABLE VI

Range of Per Capita Net Debt Less Utilities
270 American Cities Reporting in 1939

Population Group	*Highest*		*Lowest*	
I	Philadelphia, Pa.	$195.56	Milwaukee, Wis.	$63.21
II	Jersey City, N. J.	172.33	Seattle, Wash.	57.12
III	Miami, Fla.	318.84	Spokane, Wash.	26.07
IV	Atlantic City, N. J.	378.05	Saginaw, Mich.	12.65
V	White Plains, N. Y.	327.68	Danville, Ill.	10.99

TABLE VII

Total Gross and Net Bonded Debt
208 American Cities Reporting in 1934 and 1939
(in thousand dollars)

Population Group	*Gross Bonded Debt*		*Net Bonded Debt Less Utilities*	
	1934	*1939*	*1934*	*1939*
I	$4,968,522	$5,099,347	$2,613,919	$2,523,118
I[a]	$2,600,084	2,601,912	1,744,182	1,647,247
II	716,731	714,913	448,265	457,216
III	1,304,586	1,288,064	860,675	847,140
IV	423,686	416,474	314,296	302,801
V	228,663	222,382	166,399	168,480
Total	7,642,188	7,741,180	4,403,554	4,298,755
Total[a]	5,273,750	5,243,745	3,533,817	3,422,884

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[a] Excluding New York City

TABLE VIII

Per Capita Gross and Net Debt
208 American Cities Reporting in 1934 and 1939

Population Group	*Population*	*Gross Bonded Debt*		*Net Bonded Debt Less Utilities*	
		1934	*1939*	*1934*	*1939*
I	20,828,542	$238.54	$244.82	$125.50	$121.14
I[a]	13,898,096	187.08	187.21	125.50	118.52
II	4,200,512	170.63	170.20	106.72	108.85
III	10,150,803	128.52	126.89	84.79	83.46
IV	3,645,804	116.21	114.23	86.21	83.05
V	2,398,515	95.34	92.72	69.38	70.24
Total	41,398,515	184.60	186.99	106.37	103.84
Total[a]	37,124,968	142.05	141.25	95.19	92.20

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[a] Excluding New York City

trend toward lower debt structure. The gross bonded debt shows a decrease or no change in 154 or 61.8 per cent of the cities and the net debt less utilities shows a decrease or no change in 150 or 60.2 per cent of the cities.

HIGHEST AND LOWEST DEBT

The highest and lowest debt is always of general interest, although it has little significance in most cases. Table VI shows the data by population groups.

It is difficult to justify the high per capita net debt for some cities, such as Philadelphia and Jersey City —both are old, well established cities, with little recent growth in population, and no great industrial expansion. The other three high cities, Miami, Atlantic City, and White Plains, are either resort cities with wide fluctuations in population or rapidly growing suburban developments. The data for St. Petersburg, Florida, were incomplete. Had full information been available, this city probably would have displaced White Plains as the high city in group V.

Likewise, the low cities have little meaning unless all factors are known. In some cases the low rate is due to good administration, in some to an accident, and in some to a lessened demand for public services, etc.

Tables VII and VIII below show the five-year trend of gross and net debt.

The figures for these 208 American cities reporting in 1934 and 1939 further confirm a downward trend in debt of a more or less long-term nature. There is a very evident tendency to reduce the outstanding debt, both gross and net, which is only possible when there are fairly large retirements with few, if any, new issues.

There are many underlying factors which may be contributing toward this trend: the population in the larger cities (over 30,000) apparently is not increasing at the rate of the previous decade, the federal works program has reduced the cost to the cities of some municipal improvements, the debt structure of some cities with its accompanying debt service charges has been such that curtailments were necessary and debt limits have prevented the issuance of new debt. It is even conceivable that anxiety over the high cost of government, reflected in a reduction in costly public improvements, may have been a factor.

In any event the debt structure of the cities is growing smaller and while there may be some indications of a slight increase in tax-supported debt, it is not sufficient this year to indicate a reversal of the downward trend of the past five years.

THE DEBT TABLE

The table showing the compilation of the debt of individual cities follows. The data was collected, as in the past, by questionnaires and correspondence, and was made possible through the coöperation of bureaus of municipal research, city officials, and chambers of commerce.

BONDED DEBT OF 289 CITIES AS AT JANUARY 1, 1939

Compiled by the Detroit Bureau of Governmental Research, Inc.
From Data Furnished by Members of the Governmental Research Association, City Officials, and Chambers of Commerce

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
	Group I														
	Population 500,000 and over		$	$	$	$	$				$	$	$	$	
1	New York, N. Y.[1]	6,930,446	741,286,635	364,530,844	1,391,617,298	2,497,434,777	492,264,182	47	.	53	2,005,170,595	875,871,423	126.38	129,194,750	100
2	Chicago, Ill.[2]	3,376,438	305,751,525	36,161,000	3,640,000	345,552,525	17,936,718	77	23	N	327,615,807	323,975,807	95.95	17,304,404	.
3	Philadelphia, Pa.[3]	1,950,961	536,579,500	77,161,000	......	613,740,500	172,216,762	82	18	.	441,523,738	381,523,738*	195.56	N	N
4	Detroit, Mich.[4]	1,568,662	178,832,553	68,321,123	125,235,739	372,389,415	17,140,737	8	N	92	355,248,678	245,757,364	156.67	857,000	100
5	Los Angeles, Calif.[5]	1,238,048	51,687,876	58,299,995	214,204,208	324,192,079	1,149,090	N	N	100	323,042,989	109,987,871	88.84	7,661,951	0
6	Cleveland, Ohio[6]	900,429	85,503,481	9,406,250	24,560,000	119,469,731	8,290,162	56	..	44	111,179,569	90,303,869	100.29	2,757,842	100
7	St. Louis, Mo.[7]	821,960	70,758,000	3,121,000	6,781,000	80,660,000	5,632,290	65	22	13	75,027,710	69,008,162	83.96	N	N
8	Baltimore, Md.	804,874	110,715,283	22,965,963	51,924,334	185,605,580	33,606,882	81	4	15	151,998,698	105,310,151	130.84	N	N
9	Boston, Mass.	781,188	72,466,367	8,028,000	76,184,700	156,679,067	23,688,349	27	15	58	132,990,718	70,527,862	90.28	N	N
10	Pittsburgh, Pa.	669,817	57,686,500	22,069,834	5,117,000	84,873,334	8,640,998	71	22	7	76,232,336	71,667,686	107.00	N	N
11	San Francisco, Calif.[8]	634,394	36,848,600	12,843,000	107,864,000	157,555,600	N		.	.	157,555,600	49,691,600	78.33	926,000	..
12	Milwaukee, Wis.[9]	578,249	38,992,618	5,946,500	3,309,000	48,248,118	8.578,342	89	9	2	39,669,776	36,553,776	63.21	N	N
13	Buffalo, N. Y.	573,076	81,266,818	14,438,000	17,240,529	112,945,347	6,594,464	42	..	58	106,350,883	92,938,362	162.17	128,925	100
	Group II														
	Population 300,000 to 500,000														
14	Washington, D. C.	486,869	No Bonded Debt												
15	Minneapolis, Minn.[10]	464,356	39,291,417	17,352,174	11,108,000	67,751,591	3,263,505	47	33	20	64,488,086	54,034,609	116.36	5,633,478	34
16	New Orleans, La.[11]	458,762	46,864,000	7,223,000	3,500,000	57,587,000	N		..		57,587,000	54,087,000	117.90	4,100,820	100

* = Estimated.
N = None.
.... = Information not available.

[1] **New York City.** General debt includes $129,194,750 special assessment and $40,500,000 home and emergency work relief bonds.

[2] **Chicago.** General debt includes $102,911,700 park debt and $99,156,825 sanitary district bonds (84.4% of total debt of district). Cook County bonds of $37,922.410 and Forest Preserve District bonds of $12,739,750 not included, although 82% of taxable values are in city. Sinking fund figure is cash and securities available for principal payments (interest deducted).

[3] **Philadelphia.** General debt includes utility debt; self-supporting utility debt estimated at $60,000,000. No county bonds since consolidation of the city and county in 1854.

[4] **Detroit.** Utility debt includes $3.300,000 sewage disposal bonds (PWA) not backed by the faith and credit of the city.

[5] **Los Angeles.** General debt includes city's share of flood control debt ($16,488,776); utility debt includes city's share of metropolitan water district debt ($106,258,608).

[6] **Cleveland.** General debt includes $2,757,842 special assessment bonds.

[7] **St. Louis.** Relief bonds of $4,980,000 are actually serviced by municipal bridge tolls although they are general city obligations.

[8] **San Francisco.** Does not include Golden Gate Bridge and Highway District debt, 85% of which applies to city.

[9] **Milwaukee.** General debt includes $5,574,239 ($2,074,977 net), city's share of relief bonds which are handled by county, and $14,245,379, city's share of Metropolitan Sewage District debt.

[10] **Minneapolis.** Utility debt includes $6,901,000 sewage disposal bonds.

[11] **New Orleans.** General debt includes water, sewer, and drainage bonds. Amount of water bonds not available. Public Belt Bridge revenue bonds of $4,816,000, port (state agency) bonds of $36,698,000, and levee (state agency) bonds of $22,493,000 not included.

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
17	Cincinnati, Ohio[12]	451,160	41,533,640	12,323,000	36,005,539	89,862,179	27,148,070	35	9	56	62,714,109	41,817,656	92.69	2,324,115	100
18	Newark, N. J.[13]	442,337	56,131,395	18,026,200	42,885,000	117,042,595	18,277,517	44	33	23	98,765,078	60,019,653	135.69	..	..
19	Kansas City, Mo.[14]	399,746	28,965,000	20,078,500	14,143,000	63,186,500	5,250,119	5	94	1	57,936,381	43,851,482	109.70	355,737	0
20	Seattle, Wash.	365,583	13,011,000	8,157,000	47,000,000	68,168,000	286,383	100	N	N	67,881,617	20,881,617	57.12	18,727,839	0
21	Indianapolis, Ind.[15]	364,161	20,241,449	10,194,000	8,000,000	38,435,449	3,412,865	39	61	N	35,022,584	27,022,584	74.21	1,469,350	17
22	Rochester, N. Y.[16]	328,132	42,137,000	14,339,000	5,784,000	62,260,000	7,476,851	65	14	21	54,783,149	50,545,868	154.04	5,588,000	100
23	Jersey City, N. J.[17]	316,715	45,808,100	12,219,000	13,960,255	71,987,355	6,995,328	29	20	51	64,992,027	54,580,347	172.33	N	N
24	Louisville, Ky.	307,745	30,335,400	10,966,400	1,079,000	42,380,800	7,993,139	89	..	11	34,387,661	34,155,924	110.99	N	N
25	Portland, Ore.[18]	301,815	19,867,418	5,830,808	16,178,000	41,876,226	7,390,048	52	N	48	34,486,178	21,842,969	72.37	3,525,804	0
	Group III **Population 100,000 to 300,000**														
26	Houston, Tex.[19]	292,352	31,407,750	11,178,250	1,246,000	43,832,000	6,165,941	78	22	N	37,666,059	36,420,059	124.58	N	N
27	Toledo, Ohio[20]	290,718	24,065,300	14,180,500	4,540,000	42,785,800	2,497,372	64	32	4	40,288,428	35,846,183	123.30	..	..
28	Columbus, Ohio[21]	290,564	24,554,063	6,714,106	5,667,000	36,935,169	5,207,557	25	42	33	31,727,612	27,772,474	95.58	3,014,284	100
29	Denver, Colo.[22]	287,861	7,545,000	6,547,000	39,562,760	53,654,760	811,827	..	N	100	52,842,933	14,089,278	48.94	3,955,400	100
30	Oakland, Calif.[23]	284,063	2,935,530	9,270,000	39,032,914	51,238,444	N	..	..	..	51,238,444	12,205,530	42.97	N	N
31	St. Paul, Minn.	271,606	21,150,000	10,195,000	6,747,000	38,092,000	7,159,287	80	..	20	30,932,713	25,609,135	94.29	6,000,000	..
32	Atlanta, Ga.	270,366	8,489,000	4,277,000	1,631,000	14,397,000	1,394,123	66	23	11	13,002,877	11,527,271	42.64	44,000	100
33	Dallas, Tex.	260,475	19,969,500	7,579,750	11,511,000	39,060,250	3,021,694	56	10	34	36,038,556	25,558,478	98.12	N	N
34	Birmingham, Ala.[24]	259,678	12,444,000	9,925,000	4,000,000	26,369,000	3,095,392	..	..	..	23,273,608	19,273,608	74.22	460,000	100
35	Akron, Ohio	255,040	24,510,150	4,944,809	9,522,072	38,977,031	2,522,133	13	13	74	36,454,898	28,800,340	112.92	2,041,100	100
36	Memphis, Tenn.	253,143	16,143,000	5,765,000	7,850,000	29,758,000	1,778,078	55	25	20	27,979,922	20,482,054	80.91	588,000	100
37	Providence, R. I.	252,981	31,344,000	13,124,000	18,000,000	62,468,000	16,498,766	46	20	34	45,969,234	33,549,305	132.62	N	N
38	San Antonio, Tex.[25]	231,542	14,348,000	6,723,000	6,062,000	27,133,000	664,867	47	34	19	26,468,133	20,530,368	88.67	..	..
—	Honolulu, Hawaii[26]	218,807	5,679,882	1,500,000	8,478,000	15,657,882	1,053,171	..	..	100	14,604,711	7,179,882	32.81	..	..
39	Omaha, Neb.	214,006	10,198,750	8,311,750	5,426,000	23,936,500	6,503,721	13	27	60	17,432,779	15,866,779	74.14	2,910,750	0

[12] **Cincinnati.** Although the annual rental of the Cincinnati Southern Railway (included in utilities) is sufficient to provide debt service on an additional $12,000,000 debt, this amount has not been deducted as in the past.

[13] **Newark.** Utility debt includes $7,536,000 street railway and $14,444,000 airport, port and dock debt which are not self-supporting.

[14] **Kansas City.** General debt does not include $1,080,000 Missouri River Bridge bonds taken over by the state.

[15] **Indianapolis.** General city debt includes $5,265,452, Indianapolis' share of poor relief debt issued by five townships in Indianapolis. This is the first year this item has been included.

[16] **Rochester.** General debt includes $4,300,000 tax revenue and $5,588,000 special assessment bonds; $9,816,167 notes and contracts excluded.

[17] **Jersey City.** Debt as of February 28, 1939.

[18] **Portland, Oregon.** General debt includes $1,779,618, city's share of Port of Portland debt which is a general obligation; and $87,000 golf bonds serviced from revenue.

[19] **Houston.** General debt includes $775,000 convention hall bonds which are serviced from revenue.

[20] **Toledo.** General debt includes $2,234,000 deficiency bonds.

[21] **Columbus.** General debt includes $3,014,284 special assessment debt.

[22] **Denver.** Utility debt includes $14,356,160 Moffat Tunnel debt.

[23] **Oakland.** Utility debt includes $32,458,914, city's share of East Bay Municipal Utility (water) debt.

[24] **Birmingham.** Debt as of March 1, 1939.

[25] **San Antonio, et al.** School debt is not issued by city but by school district.

[26] **Honolulu.** Debt and population figures are for the city and county of Honolulu.

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
40	Syracuse, N. Y.[27]	209,326	26,901,115	6,231,363	5,195,875	38,328,353	950,000	100	N	N	37,378,353	32,182,478	153.74	606,000	0
41	Dayton, Ohio	200,982	8,246,410	6,234,987	3,413,000	17,894,397	2,155,222	84	N	16	15,739,175	12,679,516	63.09	689,041	100
42	Worcester, Mass.	195,311	10,346,000	120,000	2,642,100	13,108,100	N	.	..	..	13,108,100	10,466,000	53.59	..	..
43	Oklahoma City, Okla.	185,389	8,395,700	4,750,523	4,264,400	17,410,623	5,695,717	32	26	42	11,714,906	9,835,306	53.05	2,479,932	0
44	Richmond, Va.[28]	182,929	26,577,185	6,964,376	7,526,539	41,068,100	15,513,271	66	14	20	25,554,829	21,052,932	115.09	N	N
45	Youngstown, Ohio	170,002	9,313,780	2,085,000	733,500	12,132,280	526,794	91	9	N	11,605,486	10,871,986	63.95	337,000	100
46	Grand Rapids, Mich.	168,592	5,928,000	2,182,315	5,055,000	13,165,315	1,854,000	26	N	74	11,311,315	7,620,315	45.20	1,329,000	100
47	Hartford, Conn.	164,072	13,417,000	5,412,000	2,495,000	21,324,000	3,402,095	58	31	11	17,921,905	15,792,974	96.26	N	N
48	Fort Worth, Tex.	163,447	13,223,000	6,642,500	7,749,000	27,614,500	1,501,757	33	64	3	26,112,743	18,407,743	112.62	N	N
49	New Haven Conn.	162,655	13,710,000	312,000	N	14,022,000	921,613	93	7	N	13,100,387	13,100,387	80.54	N	N
50	Flint, Mich.	156,492	6,360,966	5,798,500	1,856,500	14,015,966	3,138,012	26	43	31	10,877,954	9,984,563	63.80	976,000	100
51	Nashville, Tenn.[29]	153,866	9,950,000	3,558,000	3,392,000	16,900,000	1,121,673	73	27	N	15,778,327	12,386,327	80.50	25,000	100
52	Springfield, Mass.	149,900	9,603,000	2,045,000	6,109,000	17,757,000	N	..	..	..	17,757,000	11,648,000	77.71	N	N
53	San Diego, Calif.[30]	147,995	2,826,331	3,785,875	10,510,459	17,122,665	N	..	..	..	17,122,665	6,612,206	44.68	2,817,037	0
54	Bridgeport, Conn.[31]	146,716	10,717,000	2,972,000	N	13,689,000	N	..	..	..	13,689,000	13,689,000	93.30	N	N
55	Scranton, Pa.[32]	143,433	2,308,000	6,644,000	N	8,952,000	58,834	36	64	N	8,893,166	8,893,166	62.00	682,519	..
56	Des Moines, Iowa	142,559	6,403,004	6,872,500	4,528,000	17,803,504	490,135	N	N	100	17,313,369	13,275,504	93.12	..	..
57	Long Beach, Calif.[33]	142,032	6,318,906	8,921,178	24,008,148	39,248,232	N		..	..	39,248,232	15,240,084	107.30	..	..
58	Tulsa, Okla.	141,258	8,439,024	5,008,375	3,667,000	17,114,399	4,251,197	65	35	N	12,863,202	9,196,202	65.10	..	N
59	Salt Lake City, Utah	140,267	3,199,000	3,761,000	4,314,000	11,274,000	335,000	..	..	..	10,939,000	6,625,000	47.23	159,000	0
60	Paterson, N. J.	138,513	10,974,614	5,675,200	13,565,000	30,214,814	1,330,634	..	..	..	28,884,180	15,319,180	110.60	.	..
61	Yonkers, N. Y.	134,646	20,263,550	7,964,750	5,191,750	33,420,050	N	..	..	..	33,420,050	28,228,300	209.65	1,851,600	100
62	Norfolk, Va.	129,710	19,389,103	6,050,096	14,404,201	39,843,400	14,264,509	60	..	40	25,578,891	16,846,930	129.88	N	N
63	Jacksonville, Fla.[25]	129,549	6,167,500	2,881,350	7,549,500	16,598,350	1,229,485	88	N	12	15,368,865	7,972,011	61.53	172,000	100
64	Albany, N. Y.	127,412	14,168,925	4,973,200	13,097,000	32,239,125	1,550,913	100	N	N	30,688,212	17,591,212	138.07	408,000	100
65	Trenton, N. J.	123,356	11,034,760	6,368,963	1,160,000	18,563,723	1,863,868	46	35	19	16,699,855	15,890,853	128.82	56,000	100
66	Kansas City, Kans.	121,857	4,643,464	3,091,000	5,600,000	13,334,464	3,880,855	9	..	91	9,453,609	7,395,017	60.69	236,507	0
67	Chattanooga, Tenn.[34]	119,798	12,656,100	2,088,000	1,100,000	15,844,100	843,351	100	N	N	15,000,749	13,900,749	116.04	1,226,506	100
68	Camden, N. J.	118,700	21,937,325	4,034,000	1,217,025	27,188,350	1,662,322	66	27	7	25,526,028	24,423,811	205.76	N	N
69	Erie, Pa.	115,967	5,175,500	5,205,707	1,290,000	11,671,207	154,627	100	N	N	11,516,580	10,226,580	88.19	N	N
70	Spokane, Wash.[35]	115,514	2,425,000	687,500	520,000	3,632,500	262,245	28	9	63	3,370,255	3,011,758	26.07	1,623,689	0
71	Fall River, Mass.	115,274	4,426,500	1,117,500	321,000	5,865,000	476,000	100	N	N	5,389,000	5,068,000	43.97	N	N
72	Fort Wayne, Ind.	114,946	557,200	2,472,000	1,787,000	4,816,200	N	..	.	.	4,816,200	3,029,200	26.35	3,000,000	..

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[27] **Syracuse.** General debt includes $95,000 stadium bonds which are serviced from revenue.

[28] **Richmond.** Debt as of January 31, 1939.

[29] **Nashville.** Utility debt includes $164,000 harbor and $69,000 light and power bonds.

[30] **San Diego.** School debt as of June 30, 1938.

[31] **Bridgeport.** Debt as of March 31, 1939.

[32] **Scranton.** School debt as of July 3, 1938.

[33] **Long Beach.** General debt includes city's share of flood control bonds ($2,817,592) and utility includes harbor bonds of $5,484,875 and city's share of metropolitan water bonds ($13,175,273).

[34] **Chattanooga.** Debt as of September 30, 1938.

[35] **Spokane.** General debt includes $66,000 golf course bonds which are serviced from revenue.

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
73	Elizabeth, N. J.	114,589	6,314,585	5,314,350	4,480,000	16,108,935	674,397		..	..	15,434,538	10,954,538	95.60	N	N
74	Cambridge, Mass.	113,643	8,742,500	1,723,000	730,500	11,196,000	2,247,628	98	..	2	8,948,372	8,264,936	72.73	N	N
75	New Bedford, Mass.	112,597	5,936,310	1,323,000	1,138,000	8,397,310	893,687	100	N	N	7,503,623	6,365,623	56.53	N	N
76	Reading, Pa.	111,171	3,777,000	6,918,000	2,426,000	13,121,000	520,469	42	49	9	12,600,531	10,219,315	91.92	355,500	0
77	Wichita, Kans.[36]	111,110	5,472,968	3,292,500	60,000	8,825,468	N	..	..	..	8,825,468	8,765,468	85.11	1,924,180	100
78	Miami, Fla.[37]	110,637	28,857,000	6,744,000	1,437,000	37,038,000	401,635	35	46	19	36,636,365	35,275,000	318.84		..
79	Tacoma, Wash.[38]	106,817	2,103,000	1,210,000	10,987,195	14,300,195	86,800	100	N	N	14,213,395	3,226,200	30.20	824,264	..
80	Wilmington, Del.[39]	106,597	5,013,400	766,000	6,845,000	12,624,400	1,577,304	100	..	..	11,047,096	4,202,096	39.42	..	..
81	Knoxville, Tenn.	105,802	19,002,738	2,313,000	4,757,303	26,073,041	2,275,408	87	N	13	23,797,633	19,329,989	182.70	..	
82	Peoria, Ill.	104,969	2,643,500	815,000	N	3,458,500	86,787	71	29	N	3,371,713	3,371,713	32.12	932,689	51
83	Canton, Ohio	104,906	3,915,500	4,691,000	709,000	9,315,500	1,921,021	54	46	N	7,394,479	6,685,479	63.73	427,417	0
84	South Bend, Ind.[40]	104,193	2,697,850	2,410,500	675,000	5,783,350	457,125	46	..	54	5,326,225	4,896,332	46.99	2,500,000	100
85	Somerville, Mass.	103,908	2,439,000	1,675,000	163,000	4,277,000	N	..	..	..	4,277,000	4,114,000	39.59	50,000	100
86	El Paso, Tex.[41]	102,421	3,498,000	2,055,000	1,766,000	7,319,000	734,936	59	26	15	6,584,064	4,930,398	48.14	497,500	0
87	Lynn, Mass.	102,320	4,558,900	2,180,000	375,500	7,114,400	77,400	100	N	N	7,037,000	6,661,500	65.10	N	N
88	Evansville, Ind.	102,249	1,249,200	1,986,500	1,844,000	5,079,700	138,768	61	N	39	4,940,932	3,150,686	30.81	109,554	0
89	Utica, N. Y.	101,740	9,927,862	1,558,730	N	11,486,592	153,471	100	N	N	11,333,121	11,333,121	111.39	..	..
90	Duluth, Minn.	101,463	4,442,333	2,684,000	2,681,000	9,807,333	N	..	..	..	9,807,333	7,126,333	70.24	300,000	0
91	Tampa, Fla.	101,161	Not Reported												
92	Gary, Ind.[42]	100,426	2,239,297	3,331,000	N	5,570,297	96,134	27	73	N	5,474,163	5,474,163	54.51	..	..
93	Lowell, Mass.	100,234	3,767,060	529,000	384,000	4,680,060	N	..	..	..	4,680,060	4,296,060	42.86	..	..
	Group IV **Population 50,000 to 100,000**														
94	Waterbury, Conn.	99,902	10,908,000	1,250,000	6,440,000	18,602,000	N	..	..	..	18,602,000	12,158,000	121.70	N	N
95	Schenectady, N. Y.	95,692	8,871,900	1,403,000	348,000	10,622,900	462,144	99	..	1	10,160,756	9,816,622	102.59	848,000	100
96	Sacramento, Calif.	93,750	3,753,890	5,836,000	3,830.500	13,420,390	N	..	..		13,420,390	9,589,890	102.29	540,212	0
97	Allentown, Pa.	92,563	4,822,900	4,418,000	730,000	9,970,900	1,239,465	39	61	N	8,731,435	8,001,435	86.44	282,300	0
98	Bayonne, N. J.[43]	88,979	6,884,000	4,035,000	5.457,000	16,376,000	N	..	..	..	16,376,000	10,919,000	122.71	N	N
99	Wilkes-Barre, Pa.	86,626	Not Reported												
100	Rockford, Ill.	85,864	265,750	2,478,000	50,000	2,793,750	199,750	20	55	25	2,594,000	2,594,000	30.21	1,088,000	0
101	Lawrence, Mass.	85.068	2.247,000	539,500	512,000	3,298,500	N	..	..	..	3,298,500	2,786,500	32.76	N	N
102	Savannah, Ga.	85,024	Not Reported												
103	Charlotte, N. C.	82,675	6,288,724	1,424,000	3,028.776	10,741,500	540,900	47	14	39	10,200,600	7,385,606	89.33	1,698,644	100

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[36] **Wichita.** General debt includes $1,704,520 welfare bonds (city's share) issued by the county. This has not been included in previous years.

[37] **Miami.** General debt includes $227,000 hospital and $154,000 stadium bonds which are serviced from revenue.

[38] **Tacoma.** Utility debt includes $1,565.200, city's share of Port of Tacoma bonds.

[39] **Wilmington.** Debt as of June 30, 1938. Redemption of school bonds assumed by state legislature; city pays interest.

[40] **South Bend.** General debt includes $429,350 park board bonds.

[41] **El Paso.** General debt includes $40,000 stadium bonds which are serviced from revenue.

[42] **Gary.** General debt includes $45.000 library debt not shown last year.

[43] **Bayonne.** Utility debt includes $2,330,000 port terminal bonds.

	1930 Census	GROSS BONDED DEBT: General Improvement	Public Schools	Public Utilities	Total	SINKING FUNDS: Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	NET BONDED DEBT: Total	Excluding Utilities	Per Capita Excluding Utilities	GROSS SPECIAL ASSESSMENTS: Total	Per Cent Gen'l City Obligation
Berkeley, Calif.	82,109	619,073	1,721,000	7,353,125	9,693,198	129,250	N	N	100	9,563,948	2,340,073	28.50	60,914	100
Altoona, Pa.	82,054	Not Reported												
Little Rock, Ark.	81,679	Not Reported												
St. Joseph, Mo.[44]	80,935	4,413,000	2,722,000	N	7,135,000	95,195	88	12	N	7,039,805	7,039,805	86.98	..	..
Saginaw, Mich.	80,715	534,000	487,000	2,171,000	3,192,000	N	..	..	..	3,192,000	1,021,000	12.65	292,956	92
Harrisburg, Pa.	80,339	2,697,840	2,139,500	2,496,260	7,333,600	210,701	1	94	5	7,122,899	4,636,480	57.71	128,900	100
Sioux City, Iowa[45]	79,183	2,826,000	1,471,000	540,000	4,837,000	394,955	68	32	N	4,442,045	3,902,045	49.28	57,000	0
Lansing, Mich.	78,397	1,202,000	N	1,153,000	2,355,000	1,087,808	10	N	90	1,267,192	1,089,092	13.89	N	N
Pawtucket, R. I.	77,149	9,812,000	3,338,000	2,076,000	15,226,000	2,762,849	51	35	14	12,463,151	10,755,312	139.41	2,675,000	100
Manchester, N. H.	76,834	3,037,225	492,775	75,000	3,605,000	N	..	..	..	3,605,000	3,530,000	45.94	..	..
Binghamton, N. Y.	76,662	3,653,000	3,176,625	35,000	6,864,625	90,305	..	..	..	6,774,320	6,739,320	87.91	N	N
Shreveport, La.[26]	76,655	8,202,000	705,000	390,000	9,297,000	509,742	62	25	13	8,787,258	8,461,404	110.38	275,000	100
Pasadena, Calif.	76,086	3,213,283	3,966,000	6,093,717	13,273,000	101,917	N	N	100	13,171,083	7,179,283	94.36	2,600,377	0
Lincoln, Neb.	75,933	961,803	3.240,500	1,755,000	5,957,303	404,629	11	N	89	5,552,673	4,158,522	54.77	240,189	100
Huntington, W. Va.	75,572	1,435,500	1,398,690	N	2,834,190	427,312	100	N	N	2,406,878	2,406,878	31.85	N	N
Niagara Falls, N. Y.[46]	75,460	7,984,195	6,876,710	1,965,530	16,826,435	579,318	N	N	100	16,247,117	14,860,905	197.05	304,688	0
Winston-Salem, N. C.	75,274	8,955,777	3,526,393	2,588,830	15,071,000	309,539	82	N	18	14,761,461	12,227,255	162.44	227,000	100
East St. Louis, Ill.	74,347	Not Reported												
Troy, N. Y.	72,763	6,455,985	953,800	557,750	7,967,535	N	..	..	..	7,967,535	7,409,785	101.83	..	..
Quincy, Mass	71,983	3,142,718	864,500	314,000	4,321,218	N	..	..	..	4,321,218	4,007,218	55.67	N	N
Springfield, Ill.	71,864	Not Reported												
Portland, Me.[47]	70,810	5,258,323	. . .	5,745,170	11,003,493	416.652	68		32	10,586,841	4,974,057	70.25	N	N
Lakewood, Ohio	70,509	1.853.665	2,352,500	122.500	4,328,665	496,545	100	N	N	3,832,120	3,709,620	52.61	25,710	100
Roanoke, Va .	69,206	4.491,000	2,650,000	5,000,000	12,141,000	1,241,991	94	N	6	10,899,009	5,978,106	86.38	N	N
Springfield, Ohio	68,743	3,724,137	1,234,000	230,000	5,188,137	439,602	97	3	N	4,748,535	4,518,535	65.73	142,000	0
Mobile, Ala.	68,202	5,115,240	859,000	1,726,000	7,700,240	2,935	100	N	N	7,697,305	5,971,305	87.55	3,683.680	100
New Britain, Conn.[48]	68,128	1,472.000	2.538,000	1.809,000	5,819,000	618.887	40	23	37	5,200,113	3.617,344	53.10	N	N
East Orange, N. J.	68,020	6,864,500	3,588,445	582,000	11.034,945	903,306	15	64	21	10,131,639	9,736,686	143.14	N	N
Racine, Wis.	67,542	2,474,000	1.201,000	815,000	4,490,000	146.000	100	N	N	4,344,000	3,529,000	52.25		
Johnstown, Pa.	66,993	3,931,000	4,705,000	N	8,636,000	1,208,871	67	33	N	7,427,129	7,427,129	108.64	N	N
Cicero, Ill.	66,602	Not Reported												
Atlantic City, N. J.[49]	66,198	25,026,200	......	2,222,000	27,248,200	N	..	..	..	27,248,200	25,026,200	378.05	..	..
Montgomery, Ala.	66,079	Not Reported												

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[44] **St. Joseph, Quincy.** Debt as of March 1, 1939.

[45] **Sioux City.** General debt includes $7,000 auto testing station bonds which are serviced from revenue.

[46] **Niagara Falls.** School debt includes $1,415.000 overlapping debt.

[47] **Portland, Me.** General city debt includes Portland's share of bridge district ($77,013) and state pier district debt ($225,905). School debt is included in general debt.

[48] **New Britain.** Utility debt includes $240,000 sewage disposal bonds.

[49] **Atlantic City, Lynchburg.** School debt included in general debt.

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
137	Newton, Mass.	65,276	4,338,000	2,018,000	616,000	6,972,000	67,773	100	N	N	6,904,227	6,288,227	96.33	N	N
138	Covington, Ky.	65,252	1,551,100	947,000	2,276,500	4,774,600	N	..	..	..	4,774,600	2,498,100	38.28	..	..
139	Pontiac, Mich.	64,928	3,313,250	2,355,000	1,470,000	7,138,250	84,130	54	46	N	7,054,120	5,584,120	86.00	1,365,000	100
140	Hammond, Ind.	64,560	1,500,570	1,720,500	1,199,000	4,420,070	192,385	34	42	24	4,227,685	3,074,141	47.62	4,567,543	0
141	Topeka, Kan.	64,120	839,753	1,793,000	544,000	3,176,753	431,788	N	N	100	2,744,965	2,632,753	41.06	488,981	100
142	Oak Park, Ill.	63,982	1,279,000	2,108,000	1,170,000	4,557,000	N	..	..	..	4,557,000	3,387,000	52.94	307,639	0
143	Brockton, Mass.	63,797	1,704,500	86,000	690,500	2,481,000	N	..	..	..	2,481,000	1,790,500	28.07	..	..
144	Evanston, Ill.	63,338	886,000	3,029,720	47,000	3,962,720	14,000	N	N	100	3,948,720	3,915,720	61.82	1,227,546	..
145	Passaic, N. J.	62,959	Not Reported												
146	Terre Haute, Ind.	62,810	1,035,500	705,000	N	1,740,500	50,363	N	100	N	1,690,137	1,690,137	26.91	N	N
147	Glendale, Calif.[50]	62,736	2,047,957	3,613,855	5,544,634	11,206,446	119,182	38	..	62	11,087,264	5,616,543	89.53	108,640	0
148	Charleston, S. C.	62,265	4,829,500	818,000	4,480,000	10,127,500	949,309	14	20	66	9,178,191	5,319,452	85.43	441,000	..
149	Wheeling, W. Va.	61,659	771,200	259,500	1,305,000	2,335,700	N	..	..	..	2,335,700	1,030,700	16.72	..	..
150	Mount Vernon, N. Y.	61,499	6,631,200	3,998,050	2,630,000	13,259,250	1,935,822	24	N	76	11,323,428	10,173,246	165.42	N	N
151	Davenport, Iowa	60,751	1,903,717	1,717,000	N	3,620,717	113,494	100	N	N	3,507,223	3,507,223	57.73	184,087	0
152	Charleston, W. Va.[51]	60,408	3,575,100	2,771,200	N	6,346,300	83,048	100	N	N	6,263,252	6,263,252	103.68	..	..
153	Augusta, Ga.	60,342	Not Reported												
154	Lancaster, Pa.	59,949	1,176,000	3,486,000	3,120,000	7,782,000	946,337	1	90	N	6,835,663	3,715,663	61.98	N	N
155	Medford, Mass.	59,714	Not Reported												
156	Hoboken, N. J.	59,261	Not Reported												
157	Chester, Pa.	59,164	3,108,000	1,761,500	N	4,869,500	1,542,524	32	68	N	3,326,976	3,326,976	56.23	413,600	0
158	Union City, N. J.	58,659	5,433,984	1,654,000	N	7,087,984	383,410	93	7	N	6,704,574	6,704,574	114.30	27,000	100
159	Malden, Mass.	58,036	2,267,000	1,167,000	105,000	3,539,000	250,739	100	N	N	3,288,261	3,183,261	54.85	N	N
160	Madison, Wis.	57,899	2,596,600	2,657,750	276,000	5,530,350	35,000	N	100	N	5,495,350	5,219,350	90.15	175,000	0
161	Bethlehem, Pa.	57,892	1,499,000	2,975,000	797,500	5,271,500	883,194	3	88	9	4,388,306	3,673,306	63.45	N	N
162	Beaumont, Tex.	57,732	4,379,000	2,016,138	2,548,500	8,943,638	419,013	60	..	40	8,524,625	6,143,725	106.42	N	N
163	San Jose, Calif.	57,651	948,700	1,348,000	N	2,296,700	N	..	..	..	2,296,700	2,296,700	39.84	94,215	..
164	Springfield, Mo.	57,527	1.219,000	1,514,811	N	2,733,811	140,291	100		N	2,593,520	2,593,520	45.08	..	..
165	Decatur, Ill.	57,510	1,396,100	767,050	183,000	2,346,150	31,593	100	N	N	2,314.557	2,131,557	37.06	1,101,073	0
166	Irvington, N. J.	56,733	4,136,014	3,638,150	N	7,774,164	366,082	61	39	N	7,408,082	7,408,082	130.58	..	..
167	Holyoke, Mass.	56,537	556,000	436,000	950,000	1,942,000	N				1,942,000	992,000	17.55	N	N
168	Hamtramck, Mich.	56,268	3,795,033	2,910,000	491,000	7,196,033	1,256,763	55	45	N	5,939,270	5,448,270	96.83	N	N
169	Cedar Rapids, Iowa[52]	56,097	1,418,600	1,550,000	1,054,000	4,022,600	426,052	N	100	N	3,596,548	2,542,548	45.32	N	N

[50] **Glendale.** General debt and utility debt include city's share of flood control ($795,957) and metropolitan water district debt ($5,234,134) respectively.

[51] **Charleston, W. Va.** Debt as of March 31, 1939. School debt is issued by county and school district.

[52] **Cedar Rapids.** Debt as of March 1, 1939.

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
70	York, Pa.	55,254	934,500	......	N	......	208,620	100	..	N	......	......	....	15,100	0
71	Jackson, Mich.	55,187	1,615,000	1,450,412	1,352,500	4,417,912	N	..	..	..	4,417,912	3,065,412	55.55	197,500	100
72	Kalamazoo, Mich.	54,786	N	1,537,000	N	1,537,000	N	..	..	.	1,537,000	1,537,000	28.05	29,000	100
73	East Chicago, Ind.	54,784	1,031,860	1,605,000	2,122,000	4,758,860	14,969	100	N	N	4,743,891	2,621,891	47.86	..	..
74	McKeesport, Pa.	54,632	Not Reported												
75	New Rochelle, N. Y.	54,000	8,796,700	5,279,676	N	14,076,376	181,457	..	..	..	13,894,919	13,894,919	257.31	73,365	..
76	Macon, Ga.[53]	53,829	670,000	950,000	90,000	1,710,000	N	..	..	..	1,710,000	1,620,000	30.10		..
77	Greensboro, N. C.	53,569	6,640,254	2,491,133	2,658,595	11,789,982	354,069	80	..	20	11,435,913	8,846,688	165.15	4,074,017	100
78	Austin, Tex.	53,120	3,096,000	1,646,000	1,642,000	6,384,000	97,176	N	N	100	6,286,824	4,742,000	89.27	N	N
79	Highland Park, Mich.	52,959	1,455,000	2,970,000	172,000	4,597,000	2,218,483	57	39	4	2,378,517	2,284,524	43.14	30,700	100
80	Galveston, Tex.[54]	52,938	6,701,500	......	526,000	7,227,500	456,962	100	..	..	6,770,538	6,244,538	117.96	..	..
81	Waco, Tex.	52,848	Not Reported												
82	Fresno, Calif.[55]	52,513	643,000	2,875,000	2,165,000	5,683,000	364,423	3	34	63	5,318,577	3,384,115	64.44	..	..
83	Hamilton, Ohio	52,176	1,169.870	1,059,230	1,025,570	3,254,670	22,353	47	53	..	3,232,317	2,206,747	42.29	125,705	100
84	Durham, N. C.	52,037	4,090,889	1,359,783	3,521,000	8,971,672	343,120	100	..	..	8,628,552	5,107,552	98.15	1,625,565	54
85	Columbia, S. C.[56]	51,581	1,877,000	1,714,025	1,217,000	4,833,025	540,704	23	56	21	4,292,321	3,187,999	61.81	25,000	0
86	Cleveland Heights, Ohio	50,945	1,289,443	5,075,500	N	6,364,943	935,163	..	..	N	5,429,780	5,429,780	106.58	509,159	100
87	Port Arthur, Tex.	50,902	Not Reported												
88	Dearborn, Mich.	50,358	11,042,000	6,013,911	2,240,000	19,295,911	5,317,515	84	1	15	13,978,396	12,572,394	249.66	116,600	100
89	Kenosha, Wis.[57]	50,262	376,000	2,481,000	10,000	2,867,000	N	..	..	..	2,867,000	2,857,000	56.84	254,301	0
90	Asheville, N. C.	50,193	15,784,194	2,648,000	5,342,879	23,775,073	79,893	44	10	46	23,695,180	18,389,339	366.37	N	N
91	Pueblo, Colo.[58]	50,096	3,762,000	1,274,000	7,866,300	12,902,300	N	..	..	..	12,902,300	5,036,000	100.53	1,070,000	..
	Group V **Population 30,000 to 50,000**														
92	Pittsfield, Mass.	49,677	929,000	599,000	213,000	1,741,000	N	..	..		1,741,000	1,528,000	30.76	18,400	100
93	Woonsocket, R. I.	49,376	4,995,000	1,042,000	868,000	6,905,000	1,384,511	91	9	N	5,520,489	4,652,489	94.23	N	N
94	Haverhill, Mass.	48,710	1,331,275	84,000	141,000	1,556,275	22,000	100	N	N	1,534,275	1,393,275	28.60	..	..
95	New Castle, Pa.	48,674	922,000	2,045,000	N	2,967,000	96,011	94	6	N	2,870,989	2,870,989	58.98	..	..
96	Everett, Mass.	48,424	1,027,400	660,000	123,000	1,810,400	90,563	100	N	N	1,719,837	1,596,837	32.98	N	N
97	Jackson, Miss.	48,282	4,243,931	514,000	658,500	5,416,431	190,000	100	N	N	5,226,431	4,567,931	94.61	235,415	0
98	Phoenix, Ariz.	48,118	Not Reported												
99	Stockton, Calif.	47,963	5,098,425	445,900	N	5,544,325	N	..	..	..	5,544,325	5,544,325	115.60	29,341	0
00	Brookline, Mass.	47,490	606,000	966,000	384,000	1,956,000	N	..	..	..	1,956,000	1,572,000	33.10	N	N
01	Elmira, N. Y.	47,397	2,210,400	1,034,000	420,000	3,664,400	N	..	..	.	3,664,400	3,244,400	68.45	N	N

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[53] **Macon, Cumberland.** School bonds issued by county.

[54] **Galveston.** Debt as of January 31, 1939. School debt included in general debt. General debt includes $605,000 grade raising, filling, and drainage bonds serviced from state ad valorem taxes in Galveston County.

[55] **Fresno.** City debt as of March 1, 1939; school debt as of December 3, 1938.

[56] **Columbia.** City debt as of June 30, 1938; school debt as of January 1, 1939.

[57] **Kenosha.** Debt as of February 7, 1939.

[58] **Pueblo.** General debt includes $3,196,000 flood control bonds not shown in previous years.

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
202	Bay City, Mich.	47,355	483,000	592,500	1,350,000	2,425,500	218,748	33	42	25	2,206,752	910,661	19.23	162,000	100
203	Berwyn, Ill.	47,027	Not Reported												
204	Clifton, N. J.	46,875	Not Reported												
205	Aurora, Ill.	46,589	Not Reported												
206	Muncie, Ind.	46,548	Not Reported												
207	Stamford, Conn.	46,346	2,631,000	2,403,279	N	5,034,279	338,300	9	91	N	4,695,979	4,695,979	101.32	N	N
208	Waterloo, Iowa[25]	46,191	768,000	1,164,000	145,000	2,077,000	N	..	..	..	2,077,000	1,932,000	41.83	19,200	0
209	Chelsea, Mass.	45,816	1,868,600	346,500	10,000	2,225,100	401,203	100	N	N	1,823,897	1,813,897	39.59	N	N
210	Lexington, Ky.	45,736	2,406,000	633,000	N	3,039,000	443,610	90	10	N	2,595,390	2,595,390	56.75	57,451	
211	Williamsport, Pa.	45,729	703,000	1,056,000	N	1,759,000	285,323	33	67	N	1,473,677	1,473,677	32.23	100,300	0
212	Portsmouth, Va.	45,704	5,215,000	672,000	2,975,000	8,862,000	2,467,634	31	N	69	6,394,366	5,129,622	112.24	N	N
213	Jamestown, N. Y.[25]	45,155	697,189	1,924,000	447,000	3,068,189	88,234	N	N	100	2,979,955	2,621,189	58.05	135,000	100
214	Lorain, Ohio	44,512	947,507	672,000	127,000	1,746,507	132,601	13	80	7	1,613,906	1,496,552	33.62	196,000	100
215	Chicopee, Mass.	43,930	877,500	11,500	297,000	1,186,000	N	..	..	..	1,186,000	889,000	20.24	N	N
216	Wichita Falls, Tex.	43,690	3,229,000	1,826,000	N	5,055,000	107,778	76	24	N	4,947,222	4,947,222	113.23	..	..
217	Battle Creek, Mich.	43,573	765,000	949,500	320,000	2,034,500	N	..	..	..	2,034,500	1,714,500	39.35	..	..
218	Perth Amboy, N. J.	43,516	8,562,670	1,367,000	1,727,000	11,656,670	534,119	26	37	37	11,122,551	9,594,309	220.48	N	N
219	Salem, Mass.	43,353	718,500	194,000	328,500	1,241,000	N	..	..	..	1,241,000	912,500	21.05	N	N
220	Amarillo, Tex.	43,132	Not Reported												
221	Columbus, Ga.	43,131	1,992,300	717,400	90,000	2,799,700	100,567	100	N	N	2,699,133	2,609,133	60.49	39,000	100
222	Joliet, Ill.[25]	42,993	764,000	1,299,410	90,000	2,153,410	N	..	..	..	2,153,410	2,063,410	47.99	747,621	..
223	Cranston, R. I.[59]	42,911	1,013,500	2,354,000	N	3,367,500	228,751	N	100	N	3,138,749	3,138,749	73.15		
224	Portsmouth, Ohio	42,560	2,703,920	1,629,600	1,406,000	5,739,520	140,624	15	6	79	5,598,896	4,303,071	101.11	232,300	100
225	Lima, Ohio	42,287	2,894,300	580,000	460,000	3,934,300	N	..	..	..	3,934,300	3,474,300	82.16	11,000	100
226	Council Bluffs, Iowa	42,048	Not Reported												
227	Montclair, N. J.	42,017	Not Reported												
228	Dubuque, Iowa	41,679	1,135,563	904,000	439,000*	2,478,563	400,156	4	50	46	2,078,407	1,823,251	43.75	107,700	0
229	Muskegon, Mich.[60]	41,390	1,874,000	2,126,121	856,000	4,856,121	139,497	100	N	N	4,716,624	3,860,624	93.27	111,910	0
230	Warren, Ohio	41,062	1,324,500	1,073,300	364,000	2,761,800	143,499	N	25	75	2,618,301	2,362,301	57.53	221,000	100
231	Kearny, N. J.	40,716	5,889,474	2,071,500	5,237,400	13,198,374	351,500	59	41	..	12,846,874	7,609,474	186.89	N	N
232	Fitchburg, Mass.	40,692	1,479,300	812,000	297,100	2,588,400	N	..	..	..	2,588,400	2,291,300	56.31	N	N
233	Lynchburg, Va.[49]	40,661	3,110,282	......	2,734,958	5,845,240	1,319,646	72	N	28	4,525,594	2,165,636	53.26	N	N
234	St. Petersburg, Fla.[61]	40,425	19,840,500	3,341,750	......	23,182,250	288,524	46	54		22,893,726	......	....	..	..
235	Poughkeepsie, N. Y.[62]	40,288	3,311,484	1,186,100	375,000	4,872,584	21,060	100	N	N	4,851,524	4,476,524	111.13	273,255	90
236	Ogden, Utah	40,272	1,485,000	1,080,500	1,474,500	4,040,000	298,776	43	17	40	3,741,224	2,387,206	59.28	107,507	0

[59] **Cranston.** Debt as of April 1, 1939.

[60] **Muskegon.** Utility debt includes sewage treatment bonds of $363,000.

[61] **St. Petersburg.** All utility debt has been refunded into general city obligation debt. Amount of utility debt not available.

[62] **Poughkeepsie.** Town of Poughkeepsie debt of $77,548 not included.

		1930 Census	GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
			General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
37	Oshkosh, Wis.[63]	40,108	432,000	610,000	493,000	1,535,000	N	..	..	..	1,535,000	1,042,000	25.98	N	N
38	Anderson, Ind.	39,804	Not Reported												
39	East Cleveland, Ohio	39,667	990,500	1,689,000	N	2,679,500	706,719	64	36	N	1,972,781	1,972,781	49.73	195,260	100
40	LaCrosse, Wis.	39,614	551,000	460,000	28,000	1,039,000	4,500	100	N	N	1,034,500	1,006,500	25.41	58,742	0
41	Butte, Mont.[25]	39,532	1,158,521	717,038	N	1,875,559	137,831	42	58	N	1,737,728	1,737,728	43.96	325,775	0
42	Sheboygan, Wis.	39,251	1,033,000	632,000	148,000	1,813,000	N	..	..	..	1,813,000	1,665,000	42.42	28,480	0
43	Waltham, Mass.	39,247	Not Reported												
44	Quincy, Ill.[44]	39,241	N	805,000	39,000	844,000	7,147	N	100	N	836,853	797,853	20.33	221,620	..
45	Meriden, Conn.	38,481	532,000	897,000	114,000	1,543,000	11,040	88	12	N	1,531,960	1,417,960	36.85	.	..
46	Bloomfield, N. J.	38,077	2,348,000	2,091,500	1,125,000	5,564,500	53,000	83	N	17	5,511,500	4,395,500	115.44	29,000	..
47	Rock Island, Ill.	37,953	Not Reported												
48	Cumberland, Md.[53]	37,747	2,650,000	1,582,200	3,044,900	7,276,100	1,042,359	36	N	64	6,233,741	3,859,971	102.26	N	N
49	San Bernardino, Calif.	37,481	589,333	......	207,625	......	49,469	77	..	23	.. .	....		N	N
50	Green Bay, Wis.	37,415	272,700	1,619,500	793,000	2,685,200	257,000	N	90	10	2,428,200	1,661,200	44.40	N	N
51	Raleigh, N. C.	37,379	Not Reported												
52	Taunton, Mass.	37,355	Not Reported												
53	Santa Monica, Calif.	37,146	1,833,500	1,816,000	1,026,500	4,676,000	189,705	54	15	31	4,486,295	3,517,471	94.69	..	..
54	West New York, N. J.	37,107	Not Reported												
55	Hazleton, Pa.	36,765	1,771,147	1,300,000	N	3,071,147	89,021	N	100	N	2,982,126	2,982,126	81.11	..	..
56	Danville, Ill.[25]	36,765	144,000	260,115	N	404,115	N	..	..	..	404,115	404,115	10.99	132,000	0
57	High Point, N. C.	36,745	Not Reported												
58	Auburn, N. Y.	36,652	2,434,508	1,170,500	230,000	3,835,008	20,880	N	N	100	3,814,128	3,605,008	98.36	147,692	100
59	Zanesville, Ohio	36,440	Not Reported												
60	Superior, Wis.[64]	36,113	670,910	1,328,970	N	1,999,880	N	.	.	..	1,999,880	1,999,880	55.38	N	N
61	Arlington, Mass.	36,094	134,000	516,000	50,000	700,000	64,088	100	N	N	635,912	585,912	16.23	..	..
62	Norwalk, Conn.[65]	36,019	2,535,077	1,649,000	1,037,000	5,221,077	532,040	100	N	N	4,689,037	3,652,037	101.39	N	N
63	Elgin, Ill.	35,929	784,000	457,000	152,000	1,393,000	17,773	30	N	70	1,375,227	1,235,658	34.39	285,802	0
64	Norristown, Pa.[66]	35,853	805,000	1,530,000	N	2,335,000	306,746	41	59	N	2,028,254	2,028,254	56.57	N	N
65	White Plains, N. Y.	35,830	5,811,790	6,709,000	1,321,000	13,841,790	874,880	63	26	11	12,966,910	11,740,745	327.68	N	N
66	Revere, Mass.	35,680	807,500	440,500	102,000	1,350,000	N	..	..	..	1,350,000	1,248,000	34.98	N	N
67	Steubenville, Ohio	35,422	332,990	892,750	47,000	1,272,740	36,356	69	7	24	1,236,384	1,198,200	33.83	253,650	100
68	Orange, N. J.	35,399	2,736,798	1,233,500	104,000	4,074,298	277,390	40	60	N	3,796,908	3,692,908	104.32	N	N
69	Alameda, Calif.	35,033	139,000	1,066,000	3,377,380	4,582,380	75,000	N	N	100	4,507,380	1,205,000	34.40	77,298	100
70	Lewiston, Me.	34,948	569,000	420,000	412,000	1,401,000	N	..	..	..	1,401,000	989,000	28.30	.	.
71	Watertown, Mass.	34,913	544,000	553,000	5,000	1,102,000	N	..	..	..	1,102,000	1,097,000	31.42	N	N
72	Amsterdam, N. Y.	34,817	Not Reported												
73	West Allis, Wis.	34,671	1,148,000	1,022,000	250,000	2,420,000	N	..	..	..	2,420,000	2,170,000	62.59	492,109	0
74	New Brunswick, N. J.	34,555	3,191,200	1,015,000	1,041,000	5,247,200	N	..	..	..	5,247,200	4,206,200	121.72	N	N

[63] **Oshkosh.** Utility debt is for sewer treatment plant.

[64] **Superior.** Debt as of March 15, 1939.

[65] **Norwalk.** Debt as of March 10, 1939.

[66] **Norristown.** Debt as of March 1, 1939. See note 25.

			GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
		1930 Census	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
275	Easton, Pa.	34,468	2,587,000	1,469,000	3,744,000	7,800,000	729,113	55	45	N	7,070,887	3,326,887	96.52	N	N
276	Plainfield, N. J.	34,422	3,133,000	1,765,000	N	4,918,000	121,659	100	..	N	4,796,341	4,796,341	139.34	76,235	100
277	Newport News, Va.	34,417	2,463,500	1,192,500	2,955,000	6,611,000	1,202,560	100	..	N	5,408,440	2,453,440	71.29	N	N
278	Santa Barbara, Calif.	33,613	1,135,125	1,103,722	687,750	2,926,597	279,837	29	53	18	2,646,760	1,799,720	53.54	..	..
279	Paducah, Ky.	33,541	1,640,000	150,500	2,220,000	4,010,500	140,551	27	52	21	3,869,949	1,678,674	50.05	..	..
280	Mansfield, Ohio	33,525	538,000	1,088,000	110,000	1,736,000	162,735	100	N	..	1,573,265	1,463,702	43.66	34,250	100
281	Joplin, Mo.	33,454	407,500	892,000	N	1,299,500	153,235	43	57	N	1,146,265	1,146,265	34.26	N	N
282	Waukegan, Ill.	33,499	Not Reported												
283	Norwood, Ohio	33,411	850,339	811,500	81,000	1,742,839	224,959	100	N	N	1,517,880	1,436,880	43.01	2,718	0
284	Sioux Falls, S. Dak.	33,362	847,000	1,733,000	150,000	2,730,000	1,350,222	8	87	5	1,379,778	1,302,913	39.05	N	N
285	Colorado Springs, Colo.	33,237	503,000	498,000	1,936,000	2,937,000	839,797	N	N	100	2,097,203	1,001,000	30.12	36,500	0
286	Elkhart, Ind.	32,949	57,000	565,900	1,115,000	1,737,000	94,765	12	..	88	1,643,135	611,682	18.56	N	N
287	Kokomo, Ind.	32,843	293,000	512,500	N	805,500	41,406	100	N	N	764,094	764,094	23.27	..	..
288	Laredo, Tex.	32,618	995,500	558,000	N	1,553,500	49,939	40	60	N	1,503,561	1,503,561	46.10	..	..
289	Tucson, Ariz.	32,506	1,403,000	1,359,000	881,000	3,643,000	660,416	47	21	32	2,982,584	2,313,532	71.17	595,289	..
290	Richmond, Ind.	32,493	615,000	590,000	N	1,205,000	N	..	..	..	1,205,000	1,205,000	37.08	..	..
291	Rome, N. Y.	32,338	1,426,067	570,000	70,000	2,066,067	N	..	..	..	2,066,067	1,996,067	61.73	3,000	100
292	Wilmington, N. C.	32,270	Not Reported												
293	Moline, Ill.[67]	32,236	419,000	564,000	316,000	1,299,000	54,360	45	N	55	1,244,640	958,576	29.74	157,634	0
294	Watertown, N. Y.	32,205	2,097,552	976,000	598,000	3,671,552	173,828	63	37	N	3,497,724	2,899,724	90.04	14,659	0
295	Muskogee, Okla.	32,026	Not Reported												
296	Meridian, Miss.[68]	31,954	1,784,272	883,811	298,000	2,966,083	18,492	98	2	N	2,947,591	2,649,591	82.92	49,935	100
297	Pensacola, Fla.[69]	31,579	2,302,500	842,000	152,000	3,296,500	417,341	92	8	N	2,879,159	2,727,159	86.36	6,500	100
298	Nashua, N. H.	31,463	1,097,000	527,000	N	1,624,000	51,622	100	..	N	1,572,378	1,572,378	49.98	..	..
299	Fort Smith, Ark.[70]	31,429	215,500	860,540	1,229,000	2,305,040	203,388	17	N	83	2,101,652	1,041,362	33.13	555,300	0
300	Port Huron, Mich.	31,361	998,269	313,000	64,000	1,375,269	103,837	100	N	N	1,271,432	1,207,432	38.50	33,639	100
301	Newburgh, N. Y.	31,275	1,222,337	1,685,032	528,731	3,436,100	42,319	81	19	N	3,393,781	2,865,050	91.61	8,000	100
302	Marion, Ohio	31,084	782,000	778,000	N	1,560,000	168,445	100	N	N	1,391,555	1,391,555	44.77	57,000	100
303	Bloomington, Ill.	30,930	183,000	251,000	1,298,000	1,732,000	6,467	100	N	N	1,725,533	427,533	13.82	150,000	0
304	Hagerstown, Md.	30,861	Not Reported												
305	Bellingham, Wash.[26]	30,823	579,000	441,000	317,500	1,337,500	114,422	72	N	28	1,223,078	937,813	30.43	N	N
306	Baton Rouge, La.	30,729	Not Reported												
307	Newark, Ohio	30,596	478,000	834,000	172,000	1,484,000	42,197	100	N	N	1,441,803	1,269,803	41.50	58,000	100
308	Everett, Wash.[71]	30,567	812,500	309,000	1,905,000	3,026,500	136,096	29	24	47	2,890,404	1,048,961	34.32	169,189	0
309	Santa Ana, Calif.	30,322	445,580	1,762,000	107,865	2,315,445	105,767	27	65	8	2,209,678	2,101,813	69.32	548,220	0
310	Alton, Ill.	30,151	160,000	......	N	......	N	..	..	..	......	......	....	..	..

[67] **Moline.** General debt includes $82,000 swimming pool and $75,000 hospital bonds serviced from revenues.

[68] **Meridian.** Debt as of September 30, 1938.

[69] **Pensacola.** Debt as of February 28, 1939.

[70] **Fort Smith.** Debt as of February 1, 1939.

[71] **Everett, Wash.** School debt as of March 1, 1939.

		GROSS BONDED DEBT				SINKING FUNDS				NET BONDED DEBT			GROSS SPECIAL ASSESSMENTS	
	Population	General Improvement	Public Schools	Public Utilities	Total	Total	Gen'l Improvement (per cent)	Public School (per cent)	Public Utility (per cent)	Total	Excluding Utilities	Per Capita Excluding Utilities	Total	Per Cent Gen'l City Obligation
CANADIAN CITIES														
1 Montreal, Que.[72]	818,577	169,977,269	34,642,000	67,892,256	272,511,525	49,431,885	86	14	N	223,079,640	155,187,384	189.58	40,463,036	17
2 Toronto, Ont.[73]	626,674	56,413,216	24,846,455	71,896,601	153,156,272	30,527,270	32	22	46	122,629,002	64,749,801	103.32	7,599,912	100
3 Vancouver, B. C.	246,593	43,360,756	10,308,097	9,767,874	63,436,727	14,270,198	75	..	25	49,166,529	43,018,979	174.45	6,720,662	19
4 Winnipeg, Man.	218,785	11,847,358	8,250,000	39,740,010	59,837,368	31,606,592	20	14	66	28,230,776	9,361,501	42.79	3,562,570	0
5 Hamilton, Ont.	153,507	15,230,510	3,444,639	5,952,613	24,627,762	503,203	3	N	97	24,124,559	18,660,788	121.56	1,648,881	53
6 Quebec, Que.	Not Reporting													
7 Ottawa, Ont.	126,872	10,773,386	2,891,446	6,065,584	19,730,416	4,943,418	35	13	52	14,786,998	11,307,238	89.12	2,195,278	47
8 Windsor, Ont.[74]	104,007	28,903,903	4,180,562	......	33,084,465	580,369	..	..	..	32,504,096	......	....	..	..
9 Calgary, Alta.[75]	83,761	2,599,199	2,020,033	10,083,447	14,702,679	1,655,205	100	N	..	13,047,474	......	....	2,154,169	42
10 Edmonton, Alta.	79,197	20,272,710	3,252,851	5,499,999	29,025,560	5,295,431	93	7	..	23,730,129	18,230,130	230.19	1,371,706	0
11 London, Ont.	71,148	4,135,418	2,420,128	3,517,577	10,073,123	2,624,650	..	..	..	7,448,473	3,930,896	55.25	600,739	28
12 Verdun, Que.	60,745	8,105,320	3,947,519	100,000	12,152,839	2,448,446	88	11	1	9,704,393	9,630.355	158.54	1,747,200	0
13 Halifax, N. S.[76]	59,275	10,825,707	2,647,418	2,186,569	15,659,694	5,485,382	59	28	13	10,174,312	8,687,743	146.57	..	..
14 Regina, Sask.	53,209	6.856,435	2,390,746	6,333,041	15,580,222	6,869,092	41	10	49	8,711,130	5,779,014	108.61	3,506,128	37
15 St. John, N. B.[77]	47,514	2,802,617	2,263,000	3,776,363	8,841,980	3,107,795	38	22	40	5,734,185	3,184,062	67.01	..	..
16 Saskatoon, Sask.	43,291	6.573.567	2,778,622	4,240,572	13,592,761	5,972,447	39	13	48	7,620,314	6,245,860	144.28	2,540,655	33
17 Victoria, B. C.[78]	39,082	13,248,417	......	......	13,248,417	498,734	100	..	..	12,749,683	......	....	..	..
18 Three Rivers, Que.	Not Reporting													

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[72] **Montreal.** Debt as of October 31, 1938.

[73] **Toronto.** School debt includes $2,200,000 issued by Toronto R. C. School Board, a separate corporation.

[74] **Windsor.** Under refunding agreement bonds are issued in two groups only, utility debt losing its identity. Debt and population increased by recent annexations.

[75] **Calgary.** Completion of refunding plan makes 1939 net debt excluding utilities not comparable with 1938 figure.

[76] **Halifax.** Debt as of April 30, 1938.

[77] **St. John.** Does not include $2,079,513, city's liability for county debt incurred for hopitals and relief which are functions administered by the county for the benefit of all. City's liability is contingent.

[78] **Victoria.** Under the refunding plan segregation of debt is impossible.

Refining Home Rule for New York Cities

By GEORGE H. HALLETT, JR.,

Associate Secretary, National Municipal League
Secretary, New York Citizens' Union

Drafter of 1939 legislation reports on the comprehensive provisions for home rule now available to municipalities in the Empire State.

A FEW minutes before its final adjournment on May 20th the New York legislature gave its approval to a complete revision of the city home rule law, sponsored by Senator Thomas C. Desmond of Newburgh, chairman of the Senate Committee on Cities. The bill had been defeated in the Assembly earlier in the day because of a misunderstanding by the organized firemen, whose interests were in no way affected by it, and the backing given the firemen by the State Federation of Labor. The leaders of both parties helped to remove the confusion and on reconsideration the bill passed 85 to 53. It had passed the Senate 32 to 14 on April 24th, and the Senate concurred promptly in the Assembly's amendments. At this writing the bill is before the Governor for his final action.

The bill had been drafted with the help of corporation counsels and others interested throughout the state including Laurence A. Tanzer, who had helped to write the original city home rule law in 1924, and had the active support of the State Conference of Mayors. It had been amended several times to remove objections and incorporate constructive suggestions.

Although it contained nothing of a highly controversial nature, it made a considerable number of helpful improvements in city home rule procedure in addition to removing obsolete matter and making the law conform to the new constitution. Among the more noteworthy changes are the following:

1. A limited extension of the powers of cities to pass local laws superseding state laws which do not apply alike to all cities. Hitherto such powers have been limited to the "property, affairs, and government" of cities, an expression which sounds broadly inclusive but which the courts have defined rather narrowly to avoid any extensive intrusion by cities into the traditional domain of the state. The bill gives cities power to supersede special state laws in regard to local assessment and taxing procedure; the acquisition, ownership, and operation of transit facilities; and several other matters, whether such matters are included within the property, affairs, and government of cities or not.

2. Validation of local laws not yet challenged in the courts which could be passed under the powers of the bill, whether adequate powers were possessed by cities at the time of their enactment or not. This provision is of special importance because of a court decision last year (*County Securities, Inc.* v. *Alice Seacord, Appellant, and Emily C. Pell, City of New Rochelle, and others,* decided by the Court of Appeals May 24, 1938) which held that, "The power of taxation being a state function, the delegation of any part of that power to a subdivision of the state must be made in express terms. It cannot be inferred." Under this ruling the local assessment and tax collection procedure of a number of cities were unexpectedly called into question.

3. Permission for city charter commissions to submit their proposals in several parts or with alternatives. Hitherto they have been authorized to submit only one question, except that proportional representation, if submitted at all by a charter commission, must be submitted separately.

4. Authorization of the submission of conflicting charter amendments by petition at the same election, with a provision that, in case two such amendments pass, the one with more affirmative votes shall prevail to the extent of the conflict. Hitherto only the proposal first filed could be submitted, which held the possibility that a bona fide charter movement might be

blocked by the speedier circulation and earlier filing of a conflicting petition.

5. A provision that no local law changing the method of nominating or electing a local officer may be adopted without a referendum. This proposal was submitted separately by Senator Pliny Williamson of Scarsdale, as on two previous occasions, and passed the Senate, but was left in committee in the Assembly. In New York, unlike other home rule states, it is possible to amend city charters in numerous respects by local law without referendum. By a curious oversight the fundamental subject of election methods was not covered in the matters subject to mandatory or permissive referendum, and both Rochester and New Rochelle have abolished by action of the city council a nonpartisan ballot adopted originally as part of a new charter by popular vote.

6. Provisions which make it possible to get a referendum at a general election instead of a special election whenever a referendum is required on a charter change or other local law. Hitherto it has usually been possible for the city council to submit any such referendum at a special election, when there was less likely to be a full turnout of voters. City manager supporters in Yonkers believe that one of their three attempts before their final success last fall was defeated solely by this device.

7. A provision that when the legislature passes a special law at the request of the city or cities affected, as provided for under the new constitution, the law cannot be challenged in the courts on the ground that the necessity alleged in the request did not exist or was not sufficiently supported by the facts recited.

8. Protection of local charters against violation of their terms by local laws other than charter amendments and against amendments adopted by methods prohibited by their terms, except that the right to amend a charter in any respect by petition and popular vote as set forth in section 19-a of the city home rule law is made paramount to any charter restrictions. Section 19-a is the section enacted in 1937 under which Yonkers adopted the city manager plan with proportional representation last fall and under which Schenectady, New Rochelle, and White Plains are expecting to vote on P. R. amendments this fall.

This is the third successive year in which the city home rule law has been notably improved. Prior to 1937 New York cities had considerable powers in matters of local legislation, subject to a mandatory referendum or a referendum on petition in certain of the more important matters, but the powers of the voters themselves to force improvements in their city governments were very limited. Certain specific forms of government were available by petition and popular vote to cities up to the size of Syracuse (210,000), and broader powers were possessed by commission-governed cities, but of these there were only two or three. It took New York City over three years of widespread and insistent public demand to get from the legislature any channel for charter revision after Judge Seabury rendered his final report recommending it.

New York City's demand was met by a special act, which led to the new charter of 1936 and the separate adoption of proportional representation. Then in 1937 the legislature passed the Armstrong-Desmond act permitting any city to put any charter amendment on the ballot by petition and popular vote. Under this act a 10 per cent petition brings an amendment before the city council, which must be given two months to act on it and to meet the demand in a different way if it wants to and can. But after that, if the council has not submitted the original proposal and the proponents still want it, an additional 5 per cent petition can force it onto the ballot at a general election.

This machinery was still further improved

(Continued on Page 464)

The Researcher's Digest: June

Detroit research bureau re-estimates city population; "average" family pays one month's wages directly to state and local governments; Michigan bureau scans financial changes since 1930; housing conditions in Rochester.

FACING the facts—the job of any research bureau—might well be the subtitle of an unpretentious, typewritten seven-page report issued by the **Detroit Bureau of Governmental Research** called *Some Comments on the Current Estimates of the Population of Detroit.* It must have taken courage to issue it.

Nine years have passed since the last federal census. A depression has intervened to change the entire flow of American life. "It is a matter of common knowledge that estimates of the population of Detroit based on mathematical projection of the trend prior to 1930 have become so far from reasonable as to be worthless."

But upon population depends not only the plans of most large commercial enterprises, but also the plans of government, the ability to contract and pay back debt, to raise taxes.

Seven Detroit agencies, most of them private business organizations, devised separate estimates of Detroit's 1938 population, the consensus of opinion being a figure somewhere near 1,650,000. All were based on the assumption that the ratio of the school-age population to the census population had remained constant.

Then Dr. C. C. Van Vechten, of the Department of Sociology of Wayne University, restudied the estimates for the Detroit bureau. Using other criteria, Dr. Van Vechten has proved that the assumption on which the other estimate was based was false, and that the present Detroit population is more than a hundred thousand under the other figure. "I estimate the present population at 1,535,000; to me the evidence that we are not over the 1930 figure of 1,568,662 is almost conclusive. That the conclusions here reached will be unwelcome to many individuals and agencies goes without saying. However, Detroit's budget and debt structures are realities of the first magnitude. Municipal costs must be met by taxpayers, and that means predominately by citizens. Here, as elsewhere, refusal to face realities will be almost certainly followed by far worse, and inescapable, realities later. I sincerely hope that the estimate given here is far too low. That fact alone cannot, however, justify me in failure to consider and present the evidence."

The Detroit bureau is to be congratulated.

Triple-play Finance

A handsome pamphlet, titled *Financing Michigan's Government: 1930-1938,* is the contribution of the **Bureau of Government of the University of Michigan** toward summarizing the effects of the past nine years in another realm: governmental finance. Generously illustrated with pictorial charts, quite aside from the practical importance of the conclusions, the pamphlet is an excellent example of the advancing art of research reporting.

Here are some of the Bureau's findings:

The actual cost of state government to Michigan taxpayers has increased 9 per cent since 1930.

State aid to local units has increased 178 per cent.

The state is now contributing more to the financing of local government services than is actually spent for state government.

A decrease of the combined cost of state and local government to Michigan taxpayers is exactly balanced by an increase in federal aid.

Although the total cost of government

has not changed, the distribution of the tax burden in supporting these costs has changed considerably. Federal aid, sales taxes, liquor taxes, gasoline taxes, licensing taxes, and an accumulated deficit have removed a $110,000,000 tax burden from owners of real property.

Relief and welfare financing has become a major problem.

"Average" Taxes

Nearly one month's wages, or 7.9 per cent of the total family annual income, is paid by the "average" urban American family in direct taxes for the support of state and local governments.

That was the fact headlined throughout the country as a result of a study of *The Direct Tax Burden on Low Income Groups*, made by J. M. Leonard of the **Detroit Bureau** for the National Municipal League. Mr. Leonard studied 150 cities of more than 30,000 population, to determine that the $2,500-a-year family of Pueblo, Colorado, pays the highest direct state and local taxes, $330.11 a year. The comparable "average" family of Jacksonville, Florida, has the lowest direct tax burden, $83.25 yearly. The average amount paid in all cities is $197.72.

Boston, Jersey City, Salt Lake City, and Meridian, Mississippi, families all pay the highest state and local taxes for their population groups, the study shows. Lowest tax burdens for the "average" family are found in Pittsburgh, Washington, D. C., York, Pennsylvania, and Marion, Ohio. The size of the city has little relationship to the amount of local taxes paid, the report discloses.

For purposes of the study the average family was assumed to consist of four persons, two of them children, with an average income of $2,500, owning a home valued at $5,500 and an automobile. Figures were based on 1937 tax levies.

The author cautions many times against jumping to conclusions. "The study has been made as accurate as possible with the existing amount of information," he says. "There are, however, many unknowns in the equation." He makes a number of follow-up suggestions which should bring us nearer to knowing something about a subject more heatedly (and ignorantly) discussed than almost any other in the modern governmental scene.

One-third of a Nation

To reduce some aspects of the intensely human housing problem to statistics has been a major project of the **Rochester Bureau of Municipal Research.** The results of the study should prove to be useful even in other cities with similar problems, perhaps for comparative purposes.

Exhaustive reports on the blighted areas of the third largest city in New York State have been made under the Bureau's auspices, for presentation to a citizens' committee on housing appointed by City Manager Baker. Six selected tracts were studied with special reference to the age of structures, toilet facilities, distance between structures by type of structure, condition of dwelling units by income groups, family incomes by amount and source, income groups by rental categories, per cent of income groups by rental categories, refrigeration equipment by unit rental, cooking equipment by unit rental, monthly rental of units occupied by tenants and number of rooms per unit, mode and time of transportation to work, and condition of vacant dwelling units by type of structure.

Tables giving statistical results and several pages of textual analysis are included in a twenty-one-page mimeographed summary.

Research Bureau Reports Received

Budgeting

A Plan for the Budget of the City. By Max P. Heavenrich, Jr. Flint Institute of Research and Planning. April 1939. 11 pp.

Cost of Government

Cost of Government in Canada. Citizens' Research Institute of Canada. March 31, 1939, 9 pp.

Ten Years of State Finances. Providence Governmental Research Bureau. April 1939. 11 pp.

The Tax Rate Can be Held at $41.30. Boston Municipal Research Bureau. *Bulletin,* April 5, 1939. 4 pp.

The Baltimore Family and Its Public Debt Burden. The Commission on Governmental Efficiency and Economy, Inc. April 27, 1939. 5 pp.

Financing Michigan's Government: 1930-1938. Bureau of Government, University of Michigan, 1939. 26 pp.

County Government

Suggested Reorganization of County Government. Citizens' League of Cleveland. *Greater Cleveland,* May 4, 1939. 4 pp.

Cuyahoga County Ignored by Present Legislature. Citizens' League of Cleveland. *Greater Cleveland,* April 27, 1939. 2 pp.

Housing

Housing Report. Chapter XIII, Summary of Selected Areas. Rochester Bureau of Municipal Research. *Municipal Research,* April 1939. 21 pp.

Labor

Government Mediation and Arbitration in Industrial Disputes. University of California, Bureau of Public Administration. 1939 Legislative Problems No. 10, March 29, 1939. 25 pp.

Political Activity

Public Employees and Political Activity. The Citizens' League of Cleveland. *Greater Cleveland,* April 13, 1939. 4 pp.

Population Trends

The Rochester Directory. Rochester Bureau of Municipal Research. April 1939. 1 p.

Some Comments on the Current Estimates of the Population of Detroit. By C. C. Van Vechten, Detroit Bureau of Governmental Research. 7 pp.

Public Utilities

Electric Rates (Schools and Homes). Kansas City Civic Research Institute. *Kansas City Public Affairs,* April 6, 1939. 3 pp.

Public Welfare

Home Relief vs. Work Relief. Rochester Bureau of Municipal Research. April 1939. 1 p.

Relief and Welfare Organization in California. University of California, Bureau of Public Administration. 1939 Legislative Problems No. 5, April 24, 1939. 52 pp.

Standards of Performance

When is a Public Office Operating Efficiently. Dayton Research Association. April 25, 1939. 1 p.

Two Men for Every Job. Kansas City Civic Research Institute. *Kansas City Public Affairs,* May 8, 1939. 1 p.

Keeping Up With the Jones's? (Commissioners' Salaries). Atlantic City Survey Commission, Inc. May 12, 1939. 1 p.

Taxation

The Direct Tax Burden on Low Income Groups. By J. M. Leonard, National Municipal League, New York, 1939. 26 pp.

Severance Taxation. University of California Bureau of Public Administration. 1939 Legislative Problems No. 11, April 10, 1939. 58 pp.

How Wisconsin's Tax System Affects Milwaukee Taxpayers. Citizens' Bureau of Milwaukee. April 1939. 20 pp.

State Tax Administration. University of California Bureau of Public Administration. 1939 Legislative Problems No. 12, April 14, 1939. 18 pp.

Tax Delinquency

Analysis of Fort Wayne Tax Delinquency. Fort Wayne Taxpayers Research Association. April 1939. 4 pp.

Odds and Ends from Here and There

The Role of the City in a Democracy

The best school of democracy and the best guarantee of its success is the best practice of local government. JAMES BRYCE.

The cure for the ills from which cities suffer is more democracy. BRAND WHITLOCK.

How can we talk of intolerance and civil liberties without concerning ourselves with our cities, which are and will be the trying ground of our liberty? Why talk of defending America against dictatorship if we neglect our greatest defense—the ability and willingness to make our democracy work in the governments closest to the people? Editorial, *Public Management,* April 1939.

It Can Be Done

Nobody expects government to be so perfect that we get a full one hundred cents value out of every dollar. However, we CAN either get more for what we are now spending or pay less for what we are now getting. The Iowa Taxpayer, May 1, 1939.

A Plea for Modernized Government

An analysis of our political situation would seem to lead to the conviction that political bodies are inefficient because there is something amiss in the political mechanism we are employing. It is as if a man were compelled to paint a portrait with a toothbrush, or trim a garden lawn with a pocketknife. In brief, we are operating with a system that in many respects is inadequate to the task set before it. The first step toward political reconstruction, therefore, is to examine this curiously inept mechanism and see whether it cannot be made more nearly to comply with modern conditions and demands of life. From *We Move in New Directions,* by H. A. OVERSTREET.

An Irresistible Force

Old is the question: If an irresistible force should meet an immovable body what would happen? Of course the question presupposes an impossible situation. If there is an irresistible force there cannot be an immovable body, and vice versa.

Antiquated methods in government are not immovable, though at times *they appear to be. Slowly but surely they yield to the irresistible forces of change. One of those forces is light, light that reveals the outmoded ways and enables citizens to see them in comparison with newer and better ways.*

To bring the light of public knowledge and understanding to bear upon the city's methods of doing business, and to show how those methods can be improved, is the primary function of the bureau of municipal research. Philadelphia Bureau of Municipal Research, *Citizens' Business,* April 18, 1939.

"The People's Rights"

With an amused wink, but also with an approving nod, have interstaters received the tidings that Massachusetts' Governor Leverett Saltonstall has removed his state from the dwindling ranks of non-signers of the constitution's bill of rights, leaving as sole non-conformists New England's Connecticut and state of Georgia.[1] These first ten amendments were originally presented for the states' approval nearly 150 years ago, in 1791. As he signed in the presence of uniformed cadets, the Governor, echoing the spirit of the liberty-loving colonists, stated that the delay was due to the state's desire to protect the people's rights by "even more inclusive definitions." *State Government,* April 1939.

Where Responsibility Rests

No doctrine is a safe one for the modern world that does not accept as inevitable that government, whatever its form, whatever the scope of its functions, must be genuinely responsible to the people as a whole. CLARENCE A. DYKSTRA, *President of the University of Wisconsin and of the National Municipal League.*

Fighting Fire with Fire

Lest facetious thieves make off with it before the public has a chance to see it, the crime laboratory in the New York City Building of the World's Fair has been placed under twenty-four-hour police guard. *New York Post,* April 18, 1939.

Hold Your Breath!

The United States Government spends $1,000 with every breath you take. One questioner asks whether, after all, that is too much to keep 130,000,000 people breathing? Christian Science Monitor, April 21, 1939.

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[1] Since this comment appeared, both Connecticut and Georgia have signed the bill of rights.

Contributors in Review

Uncle Sam is the landlord of **Hugh A. Bone** (*A Legislative Council for Maryland*) and also one of his employers. This does not mean that Mr. Bone is an inhabitant of one of the federal penitentiaries, but rather that he has the distinction of living in Greenbelt, Maryland, the oldest of the federal government's three planned cities, by virtue of his membership on the staff of the government's resettlement project located there. Mr. Bone's other employer is the state of Maryland, since he is also a University of Maryland instructor in political science, specializing in legislation and municipal administration.

Summering in Europe now, after an absence of twenty years, is **Cullen Bryant Gosnell** (*County Consolidation by Starvation?*) who used to commute there. As an officer on an army transport during the war, Mr. Gosnell crossed twelve times in quick succession, but fortunately for political science all torpedoes missed his boat, including one which approached within a foot and a half. In the years before and after torpedoing Mr. Gosnell lived a slightly more sedate life in connection with a number of universities. He is now professor of political science at Emory University in Atlanta, Georgia, was founder of its Institute of Citizenship, and has been joint editor of its published proceedings since 1929.

Liquor not only is carrying **Thomas S. Green, Jr.,** (*State Trade Barriers—Portents to National Prosperity*) through his graduate work in the political science department at the University of Chicago but is also supporting him in his job with the Council of State Governments. In defense not only of Mr. Green but of Professor Merriam and Mr. Bane be it said, however, that the brew is non-intoxicating and takes the form of a master's dissertation on the extent and nature of alcoholic beverage trade barriers and four research reports on the same subject prepared for the Conference on Interstate Barriers. Before he became addicted to spirits Mr. Green was a member of the class of '37, Williams College, specializing in history.

Feminine contingent of this month's REVIEW is composed exclusively of **Rosina Mohaupt** (Wayne University, '38), whose semi-annual articles on comparative tax rates and per capita debt have become practically a national institution. Miss Mohaupt has been on the staff of the Detroit Bureau of Governmental Research for the past five years. For the last three years she has been author of the said REVIEW articles, which were previously prepared by a gentleman who is now chief statistician for financial statistics of states and cities of the United States Census Bureau.

"Local boy makes good" would be a more than appropriate subtitle to the career of **William Eugene Mosher,** (*The Making of a Public Servant*) who was born in Syracuse, New York, in 1877 and returned there after varied educational and professional experiences to become the first director of Syracuse University's Maxwell School of Citizenship and Public Affairs. Dean Mosher's preëminence in the field of public service training is too generally known to need detailing, but vocational guidance experts may be interested in that considerable phase of his career which included being professor of German language and literature in Oberlin College during 1905-18, and author of *Albrecht von Hallers Usong* (1905), *Willkommen in Deutschland* (1906), and, with Dr. F. G. Jenney, *Deutsches Lern und Lesebuch,* in 1913.

Morris B. Schnapper (*Our New Municipal Landlords*) has been on the staff of almost every newspaper in New York City, including the late lamented *World*. In addition he has contributed to numerous other magazines and newspapers, all of which speaks well for his training at the Graduate School of Journalism of Columbia University (class of '33). Mr. Schnapper has been connected with the United States government since 1934, and is now chief of the Information Section of the Informational Service Division of the U. S. Housing Authority. He was born in New York City in 1912.

EDITORIAL

(Continued from Page 410)

Bell, Independence Hall, Betsy Ross's and William Penn's homes.

The city's financial mess forced a previous legislature to yield to pressure to authorize a commission to draft a new charter. Logically this resulted in modern provisions for the council-manager plan with a council elected by proportional representation. Ancient Philadelphia was stirred as it seldom has been before. A Gallup poll at one point showed about three-fourths of the population ready to vote in favor of the changes.

On the run and realizing the people couldn't be "trusted" to decide what kind of government they should have, bossism buried the charter in a legislative committee and had the effrontery to hold a mock funeral service over a copy of the bill.

As sabbateurs of democracy, Hitler and Mussolini are pikers in comparison to the Pennsylvania legislature. If these boss-dominated legislators had deliberately set out to prove democracy a fraud and a delusion unworthy of the faith of the people, they could have adopted no more logical course.

They are counting, of course, on the short memories and customary lack of sustained popular indignation. The next legislative election will reveal whether Philadelphia knows how to make democracy work and can still reclaim its precious title, "cradle of liberty."

REFINING HOME RULE

(Continued from Page 457)

in 1938 by another amendment to the city home rule law which permits any city to set up a charter commission by petition and popular vote. A 10 per cent petition may either name the commission or specify how it is to be elected or appointed. If the commission is approved at the polls, it proceeds to draft a new charter and submit it directly to the people.

These two amendments and the complete revision of this year, which retains their principles and improves their details, give New York a home rule machinery which is among the most useful in the country. Great progress is expected under it within the next few years.

Recent News Reviewed

Manager Cities Secure Good Government at Bargain Prices

Merit System for Hawaii
Federal Reorganization Expected to Save Money

By **H. M. OLMSTED**

The report of City Manager Mosley of Colorado Springs, Colorado, for the year 1938 shows that, although the 13.5-mill levy for city purposes in 1938 was one-half mill higher than in 1930, reduced assessed valuations result in the taxpayers contributing for city purposes only 70 per cent as much as in 1930. The light and power department continues to aid in the support of city activities, having contributed 16 per cent of its revenues to the city. Out of total city expenditures in 1938, 67 per cent was for general operation and maintenance, 14 per cent for the federal work relief program, and 19 per cent for capital outlay and debt service.

City Manager Harrah of Durango, Colorado, ended his first full year (1938) as manager with balances in all appropriation accounts.

Good Government in East Cleveland

In East Cleveland, Ohio, City Manager Carran reports that for 1938 the annual cost per person for all city services was $13.12 plus $.65 for net interest on general debt; the latter was again reduced during the year.

Lethbridge Sticks to Debt Retirement

Close to bankruptcy in 1914, with municipal bonds selling at 22 per cent discount, Lethbridge, Alberta, with 14,000 population, elected as mayor a Scot who kept the city from extravagance for fourteen years. In 1928, in the interests of still better financial accomplishment, the manager plan was adopted, and J. T. Watson, Scottish engineer who had made the electric plant pay since 1916, was made manager. Gradually but surely the bonds are being retired, even though municipal improvements have been made and despite the relief load. Taxpayers are kept informed of their city's fiscal progress.

Kingsport Advances Under Plan

Upon the voluntary retirement of Mayor W. L. Holyoke of Kingsport, Tennessee, after eight years in office, City Manager Frank Cloud announced that during the eight years the city tax rate has decreased while all obligations have been met and many civic improvements have been achieved, in regard to streets, schools, sewers, health and safety measures, a mechanical accounting system, etc.

Lively Interest in Manager Plan Continues

The legislature of South Carolina has granted a manager charter to the city of **Greenwood.** First elections under the new setup were held this spring.

Killingly, Connecticut, has adopted the manager plan by a vote of 296 to 157.

The town of Barre, Vermont (separate from the city of Barre) adopted the manager plan by a vote of 189 to 134 at a special town meeting on May 12th.

Both houses of the Connecticut legislature have acted favorably on the bill to give **Waterbury** the city manager plan with proportional representation. It is expected that it will be signed by the Governor. The act then goes to a referendum of Waterbury voters on October 3rd.

In **Chicopee, Massachusetts,** a petition for a "Plan E" Charter—city manager with P. R.—was filed on May 5th with the board of registrars of voters by former Alderman George Simonich, whose previous effort to establish a "Plan D" (city manager) charter came within a few hundred votes of adoption a year ago.

At present a petition to have a referendum on the adoption of the Plan B or mayor and city council form of government has been filed to be acted upon as a referendum at the next state election. It will have precedence over the Plan E petition unless a petition filed by Simonich charging the Plan B petition is not in legal form and the State Ballot Law Commission rules Simonich's allegations are founded in fact. Otherwise the Plan E referendum cannot be presented to the voters until the 1942 state election.

A movement to revise the city charter of **Martinsburg, West Virginia,** by referendum, with the manager plan to be seriously considered, has been started by the Junior Board of Trade of Berkeley County.

Saugus, Massachusetts, at its town meeting recently appointed a committee of nine to make an investigation of the town manager plan.

Efforts looking towards obtaining enabling legislation from the North Carolina legislature for a manager charter for **Wilmington** have resulted in nothing definite. The next legislative session is two years off.

In **Massillon, Ohio,** a nonpartisan committee has been formed to sponsor a referendum concerning a manager charter. The committee has recently issued invitations to civic, political, labor, religious, and other groups to send representatives to a meeting which the committee will call, at which time a permanent organization will be perfected.

The **Allegan, Michigan,** charter commission, in pointing out what sort of charter it expects to provide, lists nonpartisan form of election, city commission and city manager, with the manager acting as clerk and having a deputy clerk.

The Council-Manager Committee for **Birmingham, Alabama,** hopes to get action on the city manager bill when the legislature resumes its session this summer.

In **Oroville, California,** Mayor A. R. Hoke, upon retiring from office, recommended the manager plan for that city.

In **Newark, New Jersey,** the Citizens' Union is circulating petitions for an election on the city manager plan of government.

Petitions are also being circulated by the Chamber of Commerce of **Circleville, Ohio,** for the manager plan.

Clifton Forge, Virginia, will hold a vote on June 20th to determine the sentiment of the people on a change of government to the city manager plan.

The administration of former United States Senator Maury Maverick, mayor-elect of **San Antonio, Texas,** is pledged to submit the city manager form of government for possible adoption to the voters of the city. Mr. Maverick has announced, however, that such submission will be preceded by a campaign of education.

Grand Forks, North Dakota, will again make an attempt to secure the manager plan. A committee has been named to consider the matter of circulating petitions to place the question on the ballot.

In **Prince Rupert, British Columbia,**

the Chamber of Commerce and the Trades and Labor Council are recommending a manager plan charter for their city.

Petitions filed in **Ashtabula, Ohio,** for abandonment of the manager plan have been declared valid by the council. September 8th has been set as the date of the referendum.

In **Miami Beach, Florida,** a legislative act discarding the manager plan, which was submitted to a referendum vote on June 6th, was roundly defeated by a vote of 3,941 to 1,727.

Hardwick, Vermont, voted four to one to retain the manager plan.

In **Webster City, Iowa,** petitions to do away with the manager plan are again being circulated.

The Pennsylvania legislature adjourned without taking final action on either the **Philadelphia** or **Pittsburgh** city manager bills. Both were passed by the Senate but buried in committee in the House.

South Euclid, Ohio voters rejected a proposed manager plan charter in a referendum held June 6th.

A Charter Commission for Providence

The efforts to obtain a new charter for Providence, Rhode Island, have resulted in adoption of legislation authorizing a charter commission of eleven, chosen by the two political parties; the Assembly has promised to enact the resultant charter at its next session, if it is approved in a referendum this fall. The referendum, however, does not bind the legislature, and there appears to be nothing to prevent the Assembly from making any changes it sees fit in a charter draft that has been approved by the people.

The *Providence Bulletin* for May 10th commented editorially:

"The best that can be said for the Providence charter legislation that went through the Assembly literally at the eleventh hour last night is that it is not as bad as the ripper bill that passed the House last week.

"It limits the Mayor's removal powers to three officers, gives him authority to fire members of the Board of Canvassers only for cause that will stand up before the Supreme Court, and vests in the executive budgetary control which he ought to have. . . . These extraordinary powers all end with the current year.

"As for the charter commission set up in the bill, it will be a political commission, since five of the members will be named by the Mayor, three by the Republican City Committee and three by the Democratic City Committee. That non-political charter reform will come from a body so constituted is hardly to be expected.

"However, the measure will give both parties, leaders of which have professed a desire for a more modern charter, an opportunity to prove their sincerity. In addition, the referendum provision gives the people a chance to kill whatever legislation the committee recommends if it smells too badly."

Governor Vanderbilt signed the measure on May 12th.

Ann Arbor Charter Study

A charter study commission of nine members has been appointed by L. J. Young, president of the Council of Ann Arbor, Michigan. The plan for the appointment of a charter commission had been offered to the voters as an alternative just previous to a referendum on charter revision and an elected commission which the voters defeated in April.

Hawaii Adopts the Merit System

A sixteen-year battle for civil service in the Territory of Hawaii and its subdivisions was won on May 6th when Governor Joseph B. Poindexter signed House Bill No. 2, fathered by Roy A. Vitousek, speaker of the House of Representatives, and one of the pioneer proponents of the merit system for the Islands. The law becomes effective July 1, 1939.

The civil service bill as signed provides for three-man commissions for the Territory, the city and county of Honolulu, and the counties of Hawaii, Maui, and Kauai. The territorial commission will be appointed by the Governor, the others by the heads of the county governments. The commissioners will serve staggered six-year terms.

It is provided that the services of the territorial director of personnel and the machinery of the territorial commission may be utilized by the counties if they do not care to set up their own organizations and are willing to pay their proportionate share of the expense. Under Hawaii law the director of personnel must have three years residence in the Territory.

Present government employees with one year's service and three years residence will not be required to take examinations. No one with less than three years residence is eligible to membership.

The police department of the Island of Kauai is exempted, and the police on Maui and Hawaii will not be included until July 1, 1940. The Honolulu policemen are included.

Political coercion is prohibited and "no person in the civil service shall be obliged to contribute to any political fund or render any political service."

Government employees are not eligible to membership on the commissions and the commissioners are prohibited from serving on political committees and from becoming candidates for public office.

Power of demotion, suspension, and dismissal, except in cases of racial, religious, or political discrimination, rests with the appointing officer. The employee may appeal to the commission for a review and the commission may recommend reinstatement but the department head is not bound to accept the recommendation. In the event of a finding for an employee by the commission and a rejection of its recommendation for reinstatement, the employee's name shall be put on the re-employment list and he may be paid for lost time, not in excess of sixty days.

Department heads must file written charges against an employee ten days before his separation from the service, and he is given twenty days in which to appeal to the commission.

Membership in employees' associations is permitted but is not compulsory. Employees are given the right to petition the legislature. A 5 per cent veterans preference is allowable only when the applicant makes a passing grade otherwise in his examination.

Frederick Ohrt
Manager, Board of Water Supply,
Honolulu, T. H.

Civil Service Board for Minnesota

Under the recently adopted merit system law in Minnesota, according to the *News Letter* of the Civil Service Assembly of the United States and Canada, a three-member Civil Service Board will be appointed by the Governor, to serve as an advisory, rule-making, and appellate body. A State Department of Civil Service will be headed by a personnel director who is to be appointed by the board after competitive examination conducted by a special examining committee. The director will be paid a salary of not less than $5,000 nor more than $7,000 a year.

Present state employees who have served five years or longer are "blanketed in," subject to a six months' probationary period. Those who have served less than five years will be required to take qualifying examinations, which will be given during a two-year period beginning August 1, 1939. All military veterans, however, regardless of length of employment, are automatically given regular civil service status.

Los Angeles Improves Personnel Administration

The new board of civil service commissioners which was appointed by Mayor

Bowron of Los Angeles, California, has been reorganizing personnel work following the suspension of its former general manager and the dismissal or resignation of the former examiners. Assistant Superintendent L. B. Travers of the Los Angeles school system was borrowed on a part-time basis to assist in the reorganizing; he was followed in February by the appointment of a temporary general manager from the staff of the director of the budget. A permanent general manager is being selected by a promotional examination. More rigid policies as to candidates for positions have been adopted, including the setting up of higher educational standards. Interdepartmental promotional tests have been adopted. A reclassification survey is contemplated.

The success of the interne system for training in governmental service in Los Angeles County has led both the city of Los Angeles and the State Relief Administration to institute examinations for internes.

Poor Civil Service Ordinance Loses in Berkeley, California

At the biennial municipal election in Berkeley on May 2nd, in addition to the election of council and of Frank Gaines as the new mayor, a proposal for an initiated civil service ordinance was defeated by a two-to-one vote. The proposal was very hastily and poorly drawn and was supported primarily by some of the public employees. This ordinance was fought by the League of Women Voters as being a disturbing element in the successful city manager plan under which Berkeley has lived for many years.

Edwin A. Cottrell
Stanford University

Another Small City Adopts Merit System

Mount Vernon, Illinois, (12,000 population) recently joined the ranks of small cities subscribing to the merit principle. Mayor C. C. Satterfield has announced the appointment of the Board of Fire and Police Commissioners contemplated by the sponsors of the civil service proposition which carried by a narrow margin at the April election.

Future appointment of firemen and policemen will be made on the basis of competitive examinations. Men who have served for more than a year will not be required to take examinations. These employees can be discharged only for cause and are entitled to a public hearing before the board in case a charge is brought. According to Hassel B. Smith, chairman of the Board of Commissioners, technical assistance in making up and giving examinations will be sought from the Illinois Municipal League and the St. Louis Fire and Police Departments.

Leon Weaver
Illinois Local Finance Survey

Extended Planning Control Proposed for Muskegon

In order to permit the planning commissions of the city of Muskegon, Michigan, and neighboring communities to have a means of control over new subdivisions, City Manager Carl H. Peterson of Muskegon has proposed the establishment of a metropolitan area, including Greater Muskegon and portions of Norton and Muskegon Townships.

Baltimore Adopts Planning Amendment

At the municipal election on May 2nd, the voters of Baltimore, Maryland, approved an amendment to the city charter calling for the installation of a system of city planning, which would carry into effect a major portion of the recommendations which this commission has been urging the city to adopt for some time.

D. Benton Biser, *Director*
Baltimore Commission on Governmental Efficiency and Economy, Inc.

Cities Go Afield for Civil Service Candidates

Recent reports to the Civil Service Assembly of the United States and Canada indicate that many municipalities are attempting to improve the calibre of their employees by dropping the "home town men for home town jobs" clause from their civil service laws, thus permitting a selection from the country at large. Not only are important positions in these cities advertised to other than native sons, but those who make up the examining boards are drawn from other cities, and examinations for candidates living at a distance are arranged in several centers throughout the country.

When Portland, Oregon, announced its recent examination for junior personnel technician the qualifications did not include local residence. One hundred fifty-four applicants were accepted and 118 completed the written tests given in thirteen cities. The examinations were given to thirty-seven persons from New York State, twenty-three from Oregon, twenty-one from California, twelve from Washington, D. C., and the remainder from six other states. Forty persons were put on the eligible list.

In seeking a secretary and chief examiner for its Civil Service Commission, Seattle, Washington, gave a written test to fifty-one applicants in twenty-one cities. A special examining committee met in Seattle to evaluate education and experience of the applicants. The committee membership included a judge, and representatives of the California State Personnel Board, and the Northwest Regional Council.

The Los Angeles City Civil Service Commission is waiving residence requirements on five technical personnel positions for which nation-wide examinations were announced last month. Examinations will be given in more than a dozen cities.

Within the past year Evanston, Illinois, selected the chief examiner of its Civil Service Commission from a list of approximately fifty candidates of countrywide residence. A New York State resident got the job.

Governmental Apprentices in Eighteen Cities

A total of 108 apprentices in eighteen cities are in training for administrative positions, according to a survey by the International City Managers' Association. Cincinnati alone had eighty-seven municipal university students working part time in city offices.

Police and Traffic Training

Statewide training of police officers in Colorado has been continued this year under an itinerant instructor from the Denver Police Training School, who, with various other instructors, gives lectures at nineteen zone centers throughout the state.

A training school for commanding police officers in nine Michigan cities was recently inaugurated by the Michigan State Vocational Board, according to the Civil Service Assembly.

The Northwestern University Traffic Institute, Evanston, Illinois, has announced eight police fellowships of $1,200 each, available to municipal police officers during the 1939-40 academic year, made possible by the Kemper Foundation for Traffic Police Training.

The Bureau of Street Traffic Research at Yale University announces nineteen graduate fellowships of approximately $1,400 each in street and highway traffic engineering for the 1939-40 academic year, available to young graduate engineers.

The End of the Michigan Legislative Council

Michigan's experience with a legislative council comes to an end this year with the repeal of the act of 1933 which created it.

In form the statute creating the council left much to be desired, since the membership of the body was appointed by the speaker, acting for the House, and by the lieutenant-governor for the Senate. Thus it was open to the charge that the council was the personal plaything of these two officials who could claim a permanent seat thereon. In addition, no liaison was provided between the executive and the legislature; a faint possibility exists for the truth of the construction of this defect as being intended to cut the Michigan executive out of the picture, and thus to use the council as an anti-gubernatorial instrument.

The handicaps under which the Michigan Legislative Council attempted to operate included the structural defects noted above, the denial of adequate funds, the failure to provide a continuing research agency, the requirement that the council might function only between sessions of the legislature, and a ruling of the attorney-general during the Murphy administration that the legislative branches could not set up investigating committees to operate between sessions.

With such a wealth of hampering obstacles, it is still true that the council might have functioned had there not been gubernatorial opposition throughout its entire life. Only in the Comstock administration of 1933-35 did such opposition not annoy and retard the work of the council; perhaps this good fortune is explained by the presence upon the council of its father, Martin R. Bradley, speaker of the House during that time, a highly capable and generally respected individual.

The first Fitzgerald administration in 1935 found the Governor denouncing the council as a lame-duck body, pointing out its high rate of turnover in membership, and lamenting generally such modern trends in government. The Murphy administration indeed refrained from any direct attack upon the council, but certainly made deep inroads into the sphere of its possible activity by continuing and expanding the use of special gubernatorial commissions, such as the Fitzgerald committees on civil service and welfare organization, and the Murphy Tax Study Commission and Commission on Reform and Modernization in Government.

From the standpoint of the legislative council movement, the loss is largely one of number, if not entirely so. One can scarcely mourn the passing of a defective, weak Council; in the light of this experience of Michigan's, it will be easier to avoid mistakes, and to build rightly and anew.

Charles W. Shull
Wayne University, Detroit

State Land Problems

The state of Arkansas which now owns two million acres of land, or one-sixteenth of the state area, has authorized a state land commissioner to conduct investigations into the best use of the various tracts. The State Planning Board is permitted to assist the commissioner, on request, in supervising the classification of this land as to suitability for agriculture, forests, parks, etc. Land suitable for agriculture may be developed by the state in coöperation with the federal government and may be returned in areas of suitable size to farm families through sale or outright grants under the state donation law. The state will retain mineral rights in lands returned to private ownership. Arkansas like many other states has suffered from much reversion of land through tax delinquency and abandonment and is seeking the best use of such land for private or public purposes.

The federal government has recently transferred to the state of South Carolina, for management for a term of fifty years, 45,000 acres of submarginal land that has been developed for forestry, wild life, and recreational use. The state agrees to continue such use and to maintain existing improvements.

River Pollution Control by Interstate Compacts

Sixteen states have approved or have under consideration anti-pollution compacts to regulate the flow of sewage in four major river basins—those of the Ohio, Potomac, Delaware, and Red River of the North. The arrangements for the latter two rivers are already operative. Nine states are involved in the Ohio River plan; two—Indiana and West Virginia—had ratified it by May 1st, according to the Council of State Governments, and it was pending before the legislatures of Illinois, New York, and Pennsylvania. Formation of the Potomac Valley Conservancy District for abatement of pollution in the Potomac watershed has been announced by representatives of West Virginia, Virginia, Maryland, Pennsylvania, and the District of Columbia. The compact, which must be ratified by the various legislatures, provides for a permanent body of three members from each state and three to be appointed by the President.

Connecticut Court Bill Eliminates Constables' Fees

A court reform bill introduced in the Connecticut legislature places all judges, grand jurors, and constables on salaries, doing away with constables' fees, immemorial subject of abuse. Permission is granted for the formation of court districts by local action. A town provided with a court could take over the court work of an adjacent town upon application therefrom.

Federal Reorganization Proceeds

President Roosevelt's first reorganization proposal under the new reorganization act was overwhelmingly approved by the House of Representatives on May 3rd. Its chief features were the establishment of three new federal agencies, to correlate the following activities:

Federal Works Agency: Public Roads Administration, Public Works Administration, Works Progress Administration, United States Housing Authority, Public Buildings Administration;

Federal Security Agency: Social Security Board, Office of Education, Public Health Service, National Youth Administration, Civilian Conservation Corps;

Federal Loan Agency: Reconstruction Finance Corporation, Federal Housing Administration, Federal Home Loan Bank Board, Electric Home and Farm Authority, Export-Import Bank of Washington.

The Bureau of the Budget is brought to the White House from the Treasury, and has added to it the functions of the General Statistical Board. The National Resources Committee becomes the National Resources Planning Board, to carry on studies for the President.

The President's second proposal, submitted to Congress May 9th, was approved by the Senate on May 12th. It abolishes seven federal agencies and shifts sixteen others. Notable changes include abolition of the Bituminous Coal Commission, its functions being placed in the Interior Department; and also of the National Emergency Council, its duties being shifted to the White House. Foreign commerce and agricultural functions are transferred to the State Department from the Commerce and Agriculture Departments respectively.

In addition to the coal commission's former duties, the Interior Department acquires the Bureau of Insular Affairs, from the War Department, to be merged with the Territories and Islands Division; the Bureau of Fisheries from the Commerce Department; the Biological Survey from the Agriculture Department; and the Mount Rushmore National Memorial Commission.

The Rural Electrification Commission is placed in the Agriculture Department; the Inland Waterways Corporation goes from the War to the Commerce Department. The Codification Board is abolished and its functions transferred to the National Archives.

The first proposal was estimated to effect a saving of $15,000,000 to $20,000,000 a year out of $235,000,000 total expenses involved—although the more emphasized gain is greater efficiency. The second proposal is designed to save $1,250,000 annually out of a $25,000,000 total.

Both houses of Congress have now passed a bill setting July 1st as the date on which reorganization shall be effective.

Wellesley Summer Institute

"How can we make democracy work?" is the theme for the 1939 Wellesley Summer Institute for Social Progress, which will be held July 8th to 22nd at Wellesley College, Wellesley, Massachusetts. Mornings will be devoted to lectures by the resident leaders on the essentials of democratic life and the corresponding requirements upon the social order; informal discussions will also be held. In the afternoon various round tables will meet, while on several evenings prominent outside speakers will be heard. The secretary is Grace L. Osgood, 14 West Elm Avenue, Wollaston, Massachusetts.

National Recreation Congress

The National Recreation Association has announced that its twenty-fourth national congress will be held in Boston October 9th to 13th. It is expected that about 1500 persons will attend, including representatives from public and private recreation agencies, schools, colleges, churches, and governmental departments. The program will include a series of discussion groups and addresses on important topics by outstanding speakers. Dr. John Finley of the *New York Times* will preside.

Mayors Draft La Guardia

At the ninth annual convention of the United States Conference of Mayors, held in New York City May 15th to 17th, Mayor F. H. La Guardia of New York City was re-elected president of the conference for a fourth consecutive term, over his vigorous objection. Mayor E. J. Kelly of Chicago, vice-president, launched a "draft La Guardia" movement, and the incumbent president's protests were overruled.

The conference adopted resolutions favoring continuance of the WPA and the government housing program, opposing jurisdictional labor strikes and attempts by the federal government to tax municipal bonds, and petitioning President Roosevelt to direct a nation-wide survey of the tax structure.

City-County Consolidation Recommended for Cleveland and Louisville

Oklahoma's Governor Suggests County Consolidation; Georgia County Wants Manager; Legislatures Fail to Act on County Manager Bills

By PAUL W. WAGER

Complete reorganization of the county and municipal governments in Cuyahoga County into a municipality to be known as the city and county of Cleveland, with an optional borough system for those sections of the county so desiring, is provided for in the draft of a new city-county charter prepared after two years of study by a special committee of twenty-eight appointed by the Citizens League.

Under the provisions of the charter draft, which follows in general outline the preliminary announcement made by the committee some months ago, all functions of the present county government and the governments of the fifty-seven municipalities and townships in the county would be consolidated in the city and county of Cleveland, operating under the manager form of government, except that any section of the county not less than two square miles in area and with a population of not less than 2,000 could by majority vote of its electors set up an administrative borough.

The boroughs so established would be left with those activities which have been successfully administered by the self-governing suburbs and the surrender of which has been one of the main obstacles to consolidation. Such activities include street maintenance, street cleaning and lighting, garbage and trash collection, local fire and police departments, playgrounds and baths. The boroughs would be permitted to draw up their budgets and to fix the local tax rates covering such services as were retained under their administration.

The charter would in no way upset the present school systems, library boards, or courts, all of which are provided for and operated under the provisions of the state law and constitution. However, the jurisdiction of the Municipal Court would be extended over the entire county.

There would be a council of fifteen members, elected at large by proportional representation, serving four-year terms so overlapping that seven would be elected one year and eight two years later. The manager would of course be appointed by the council. There would be eight departments—finance, law, safety, parks and property, public works, health and welfare, records, and public utilities. There would also be a personnel commission, a planning commission, a board of tax revision, and a board of zoning appeals.

What disposition the citizens of Cleveland and Cuyahoga County will make of the proposed charter remains to be determined.

Oklahoma's Governor for County Consolidation

A recent editorial in the *Tulsa World* states that Governor Phillips of Oklahoma has made a definite statement in favor of county consolidation. The Governor "named three east side counties which have a combined valuation of $17,000,000, and showed that each of ten counties has a valuation of less than $5,000,000. Obviously," continues the editorial, "adequate local government cannot be maintained in such cases. Obviously these counties cannot continue to run under the scale of modern demands without ruinous tax rate or direct aid from the state. Aid to counties has been administered in many ways. . . . Counties are demanding more and more support from the state, and if that practice is continued, it will naturally result in the elimination of some counties."

Fulton County, Georgia, Considers Manager

As a result of discussions between the county commissioners and the grand jury, the latter has recommended the adoption of the manager form of government in Fulton County. Moreover, some of the jurors are said to favor an appointment from outside the county so that the appointee will not be aligned with any political faction and thus be less amenable to pressure. It was encouraging to find a disposition, should the plan be adopted, to secure the best executive that could be obtained and with a salary commensurate with his ability. Practically every department and every function of the county government were studied by the jury in a seven-weeks probe and it was this investigation which prompted the demand for a manager.

No Action on County Manager Bill in Oregon

A bill was introduced in the recent session of the Oregon legislature to give the people of each county the right to vote on the adoption of the county manager plan. The committee to which the bill was referred was favorable but took no action because of the doubtful constitutionality of the bill. Between now and the next session an effort will be made to have a satisfactory constitutional amendment drawn so that the bill may be presented again and considered in conjunction with the amendment.

Colorado Manager Bill Fails

A bill before the Colorado legislature to make the county manager plan optional on referendum failed to receive favorable action. Since the legislature meets only every two years, there can be no important change in the organization of county government in that state for another two years.

New York Fusionists Continue Effort to Reduce County Officers

The City Fusion party of New York has started the circulation of petitions to amend the city charter by a referendum vote at the November election. Such referendum would attempt to abolish the offices of sheriff and register in each of the five counties of the city and substitute therefor one sheriff and one register for the entire city appointed by the Mayor.

The effort was initiated at the annual ball of the City Fusion party on May 6th. Eight girls, dressed in housemaids' costumes and carrying feather dusters, distributed the petitions. These and other girls constituting a committee called the Municipal Maids later will seek signers throughout the city. The argument advanced for the change is that the reorganization of the county governments in the interest of economy is like a job of good housekeeping. The slogan of the committee is: "When women sweep, corruption flees."

The proposed charter amendment would accomplish the same purpose as the bills introduced in the city council by Mrs. Genevieve B. Earle at the first meeting of the council and which were defeated last December.[1]

Louisville League of Women Voters Favors City-County Consolidation

At its annual meeting held in May, the Louisville League of Women Voters went on record as favoring consolidation of the city of Louisville and Jefferson County. It supported, first, a program for voluntary consolidation by agreement of city and county government departments; second, committee recommendations regarding a long-term program for an amendment to the state constitution to permit the consolidation of Louisville and Jefferson County and home rule.

County Courts Established in Tennessee

The justices of the peace in Tennessee are gradually being shorn of their judicial as well as administrative powers. The recent session of the legislature provided for the establishment of general sessions courts in four counties. The act in respect to Knox County has been mentioned in an earlier issue (March 1939). Special acts created similar courts in Robertson, Williamson, and Trousdale Counties. In all three cases the Court of General Sessions is given all authority and jurisdiction heretofore exercised by the justices of the peace. The courts will have both civil and criminal jurisdictions. The justices of the peace retain their position as members of the County Board, or Quarterly County Court as it is called. Costs and fees in the new court will remain the same as they were in the justice of the peace court. The judge in Robertson County will receive $1,800 and will be expected to devote full time to the work. The Williamson judge will receive $1,500 a year and the Trousdale judge $900, both of these posts being considered part-time. The first incumbents are to be appointed by the Governor, and their successors popularly elected. After 1942 the terms will be eight years.

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[1] See NATIONAL MUNICIPAL REVIEW for January 1939, p. 62.

Local Option in Tennessee

Under the authority of the local option liquor law passed by the recent session of the Tennessee legislature liquor may be sold in sealed packages in counties where a majority of the electors vote for repeal of prohibition. To date four counties have held referenda on the issue and three have voted for repeal. At least four other counties are scheduled to have elections in May.

A Correction

Your editor regrets the error made in this department last month when recent accomplishments of Oakland County, Michigan, as reported by the Oakland Citizens League, were inadvertently credited to Oakland County, California. Title of the note should have read: "Michigan County Makes Fine Fiscal Record."

Alabama Plans Supervision of Local Government Finance

New York Staters Pay More Taxes Arkansas and California to Assist Local Assessors

By WADE S. SMITH

One of the most important parts of the program of state administrative reorganization proposed by Governor Frank M. Dixon of Alabama was that providing for the creation of a Department of Finance, which came into existence on March 7, 1939. Within this department is to be a division of local finance under the direction of a chief appointed by the director of finance with the approval of the Governor.

As originally introduced, the bill setting up the Department of Finance would have established direct state control of local finance on a broad basis, but during its procedure through the legislative channels certain changes were made which eliminated or weakened some of the more stringent provisions. Despite these alterations, however, the statute as enacted confers important duties on the Division of Local Finance relating to local government budgeting, purchasing, auditing, and indebtedness.

Counties, municipal corporations, political subdivisions, and other local public bodies, with the exception of boards of education and county public welfare agencies, are required to submit certified copies of their annual budgets within thirty days after adoption. No power is granted the Division of Local Finance to review or to disallow any provisions in these budgets. The principal purpose of this requirement appears to be that of providing the Division of Local Finance with information which can be used in discharging other duties enumerated below.

Counties are required to report periodically on "all purchases of furniture, fixtures, supplies, material, equipment, and other personal property, except printing, and all contracts and leases for the use or acquisition thereof," when the amount of the purchase is $100 or above. On their own initiative, counties, cities, and other political subdivisions may empower the Division of Purchases and Stores in the Department of Finance to make such purchases as may be agreed upon.

The Division of Local Finance is directed to audit the financial transactions of all county officers and to prepare a uniform system of county records and accounts. The division likewise may audit the records and accounts of the cities if the municipal officials so desire. Each city is required to submit a certified copy of its annual audit within one month after completion, and if no municipal audit is made for a period of two years the Division of Local Finance may make the audit itself or compel the city to act.

Counties, cities, and other political subdivisions, except boards of education and county public welfare agencies, are required to submit an annual debt statement showing all general or special obligations payable from any source, interest rates, provisions made for repayment, condition of all sinking funds, and any other facts pertinent to their financial condition. These reports are to be submitted to the Division of Local Finance not later than November 1st of each year. The beginnings of state supervision of local government bond issues are to be found in the provision requiring notice to be given to the division at least two weeks prior to the bond sale. At its discretion the division may investigate the ability of the city, county, or political subdivision to care for this additional indebtedness and may pass judgment as to its advisability. Such advice is not binding and has no adverse effect on the validity of the bonds.

In those instances where a debt default of a local governmental unit, except boards of education, has extended for a period of ninety days or more, the Division of Local Finance, if requested in writing by the holder of any bond in default, may assume control of the revenues applicable to the payment of such debt. State control over expenditures for debt purposes continues until payment is made or until a plan for payment has been agreed upon by the governing body concerned and by the holders of three-fourths of the face value of the bonds in default.

In addition to its specific duties the Division of Local Finance is authorized to assist, advise, and furnish information to local government officers with respect to finances, taxation, revenue, indebtedness, accountancy, and budgeting. It is further prescribed that the division may prepare studies and reports on local finance, which may be published if the approval of the director of finance is secured. The agents of the division are to be given access to and the right to copy from such financial records of cities, counties, and other political subdivisions as may be necessary in the course of their work.

The portions of this bill which are new are those relating to the city, since state auditing of county financial transactions has been a practice for some years. Although the direction which the efforts of the Division of Local Finance will take has not as yet been definitely determined, one county already has taken advantage of the state purchasing facilities and undoubtedly others will follow suit. If the Division of Local Finance is successful in its efforts to collect and publish the data called for in the several reports, there will be available for the first time a continuous source of information on local government finance in Alabama.

Weldon Cooper

University of Alabama

Kentucky Rules on Tax Reciprocity

In deciding the Dixie Wholesale Grocery Company, Inc., case, the Kentucky Court of Appeals settled a number of issues regarding reciprocal interchange of confidential data with other states. The case arose under the state cigarette tax, but it involved issues important in the administration of numerous other measures. The specific problem was whether or not data regarding alleged sales to customers in Ohio tax-free could lawfully be supplied to the Ohio tax officials on a reciprocal basis. The grocery company alleged that supplying such data to Ohio: (a) was contrary to the commerce clause of the federal constitution: (b) was a violation of the company's constitutional immunity from unlawful search and seizure; and, (c) was effected pursuant to a compact between states without congressional approval and hence repugnant to the federal constitution.

On all counts the court sustained the department's position. The administration could scarcely desire a more wholehearted endorsement of the indispensable administrative device of confidential interchange of data regarding interstate shipments of individual taxpayers. Thus the decision will be found of fundamental importance throughout the country. A contrary view by the courts would make effective state tax administration at many points impossible and would thus strike a direct blow at our federal system of government.

JAMES W. MARTIN
Commissioner of Revenue, Kentucky

State Supervision of Local Property Assessment Increasing

In harmony with the growing policy of state assistance to local assessors of property taxes, Arkansas and California have recently added supervisory divisions to their state tax departments, according to the National Association of Assessing Officers. Similar plans have been recommended recently for Colorado, Maine, and West Virginia.

State supervision and coöperation are practiced in some degree in all but six or eight states for the purpose of improving original assessments. In states where the idea has been most highly developed, supervision operates by geographic districts or according to types of property.

Best known of the states using the geographic division is Wisconsin, which Arkansas is using as the pattern for its new organization. Wisconsin first elected county assessment supervisors in 1901, abolished the offices in 1911 when the state income tax was adopted, and replaced them with appointed assessors of income who also supervised local property assessments. Later a new office—supervisor of assessments—was created and the number of districts set at ten.

Arkansas has been divided into seven supervisory districts. Supervisors in charge are to visit local assessors and help work out difficult and unusual assessment problems. They are also to aid the state corporation commission in tax equalization. Other states which follow the geographic plan of supervision include Illinois and Maryland.

Supervision according to types of property is illustrated by the system recently created in California. In this state the Board of Equalization has created a division of assessment standards with a full-time director. Assessment experts head five departments—oil, forest, farm land, urban land, and buildings—and each performs the supervisory job for all local assessors in the state.

New York Legislature Adjourns after Raising Taxes

Adjourning on the evening of May 20th, after the longest session in twenty-eight years, the New York State legislature adopted a budget of $388,000,000 which, including supplementary appropriations, was some $26,000,000 below the budget submitted to it by Governor Lehman. Despite the cut the legislature found it necessary to continue the so-called emergency taxes, including the 1 per cent emergency income levy, the third and fourth cents of the gasoline tax, higher rates on stock transfers and estates, etc. In addition, the legislature enacted a state-wide tax of one cent on each ten cigarettes sold, increased the liquor tax 50 per cent, and imposed a tax on the income of federal officeholders. It rejected the Governor's request for a state business turnover tax and the restoration of the state ad valorem property tax levy, but accepted his recommendation of $54,000,000 in new moneys for relief during the next fiscal year.

Although the legislature did little to relieve the pressure on New York City finances by failing to consider legislation in connection with mandatory charges, it did enact a housing measure designed to implement the housing section in the new state constitution adopted last fall. The housing bill authorizes the state to lend its credit to the extent of $150,000,000, of which $50,000,000 will be available during the next fiscal year, to localities for financing low cost housing projects. It also guarantees an immediate subsidy of $250-000 a year, with $1,000,000 a year available after the first year, to help meet the interest and amortization on the loans it makes. The localities must balance the state's subsidy in the form of tax exemption or outright aid, while the localities may also use their own credit, up to an additional 2 per cent of their assessed valuation, provided that they levy any of several special taxes to service the bonds. Not more than two-thirds of the state grants or subsidies may go to New York City.

The session, which was controlled by the Republicans for the first time in some years, was marked by a split in the majority membership which resulted in the shelving of many bills highly important—in particular to New York City. The inability of the legislature to enact a state sales tax, however, is regarded by some as a partial atonement for the numerous sins of omission.

New Jersey Still Juggles Relief Problem

Despite lengthy discussion and frequent recesses to permit high-powered consultation of legislative leaders, the New Jersey state legislature appears in mid-May as far from a solution of its relief problem as at the beginning of the session. Latest effort, which was expected to be presented to the Senate on May 22nd when it reconvened after a two-weeks recess, was a proposal to tie relief financing up with the controversial attempt to rebate delinquent railroad taxes. It is reported that the Republican majority in the Senate will present a program based on a $15,000,000 state bond issue and the diversion of $4,000,000 of highway funds to meet the larger part of relief needs; and, as part of the program, will enact the appropriation bill and election reform legislation, with the House to pass the Senate-approved bill providing for a $14,263,000 settlement of the $34,000,000 delinquent railroad taxes and $12,000,000 accrued interest.

Also to be considered is a bill to reduce the interest charged on delinquent municipal property taxes from 8 per cent to 5 per cent.

State Refunding of County Road Debt Proposed in Florida

Investment houses have laid a proposal before the Florida legislature, according to the *Daily Bond Buyer,* that some $127,-000,000 of county road bonds be refunded by the use of the state's credit, with gas tax money as security. The plan would contemplate immediate issuance of $50,-000,000 of state certificates of indebtedness to replace a like amount of callable county road bonds.

Should the new state obligations run over a period of twenty-five years, with interest coupons at 3½ per cent, a savings of between $32,000,000 and $40,000,000 is indicated in interest charges. A fee of 1 per cent of the callable bonds would go to the bond dealers.

The Florida legislature also has before it a bill under which tax levies of cities and towns would be drastically reduced on a graduated program of budget reduction. It is said that the proposal would require a 5 per cent reduction annually for the next five years, so that beginning in 1944 each unit would be limited to not more than 75 per cent of the 1939 tax.

Public Bond Sales for Ohio Municipalities

The Ohio legislature is reported to have passed and sent to the Governor for signature a bill to require the public sale of municipal general obligation bonds unless the issue is $15,000 or less. The bill also reduces the term of notes that may be sold at private sale from two to one year, but this provision will not affect certain water works, bridge, and revenue obligations.

P. R. Events and Opinions

Wheeling's Second P. R. Election
Waterbury Bill Passed by Legislature

Machines Block Referenda in Three States

By GEORGE H. HALLETT, JR.

P. R. Upheld in Cincinnati

At the special election on June 6th Cincinnati voters defeated the proposal to repeal P. R. by an official margin of 48,300 to 47,558. "P. R. has again triumphed over the predictedly unbeatable combination of a political machine and an election timed to handicap independent thinking and independent voting in the worst possible way," wired Forest Frank, executive director of the City Charter Committee.

Wheeling, West Virginia, elected its council of nine members by P. R. for the second time on May 25th. The first P. R. election had been held four years before.

The results were generally acclaimed.

"The results of Wheeling's second councilmanic election under proportional representation should prove generally satisfactory," said the *Wheeling Intelligencer* editorially on May 29th. "The nine men chosen constitute a capable, well balanced and representative group of public servants. As individuals, they reflect the influence of the proportional method of electing officials. As a body, they have the potential ability to serve the people of Wheeling well."

Two days earlier, before the P. R. count was completed, the *News-Register* said: "There is every indication the proportional system has again demonstrated its worth and Wheeling will have another good council. . . . As the *News-Register* has reiterated, the time required to tabulate the vote is minor in comparison to the benefits the system brings."

"The nine council members are well distributed according to residence," said William S. Jones, president of the Wheeling Association, which led the campaign for the adoption of P. R. in 1935 and its successful defense last year. "And when one considers the make-up of various voting groups, the council membership includes almost every large division. . . . There is a high degree of ability in the new council and we are confident that Wheeling can look forward to a continuation of the good government we have had for four years, and perhaps to even better progress, now that our form of government is better established and better understood."

Five members of the outgoing council, including the mayor, were re-elected and three defeated. The new council will include an attorney who was formerly Republican whip of the national House of Representatives, a florist, a funeral director, an executive of the Wheeling Electric Company, an automobile salesman well known as a labor union man, another attorney, a sanitary engineer, a real estate man, and the manager of an insurance agency. It will contain five Protestants and four Catholics.

Although party lines did not enter the campaign at all, the new council will contain both Republicans (seven) and Democrats (two). According to the *Intelligencer,* "there are no cliques, no special interests, represented in the council."

The number of aspirants for the council this year dropped from the world's record of 122 in 1935 to 73. P. R. nomination is unusually easy in Wheeling—any voter may sign two petitions instead of the usual one and three hundred signers are sufficient.

The counting board again rejected suggestions that they draw on the experience of other cities in planning for the count and the arrangements were far from efficient judged by ordinary standards. Nevertheless, the count moved more smoothly than it had four years before and was completed early on the third day after the election by dint of continuous counting in shifts. There was no question as to the count's honesty or substantial accuracy.

The newspapers and others did good educational work in preparation for the election, the *Intelligencer* carrying a series of informative articles by Julian G. Hearne, Jr., first president of the Wheeling Association and adviser to the P. R.-manager campaign in Waterbury, Connecticut.

Waterbury to Vote This Fall

The Connecticut Senate on May 23rd passed without change the Waterbury charter bill, which had already passed the House of Representatives. The Governor has promised to approve it. A referendum will be held at a special election on October 3rd as to whether the city shall adopt the city manager plan with proportional representation. If the vote is favorable, the first council will be elected by P. R. at a special election in November. The Citizens Good Government Association of Waterbury, of which Mr. Harold F. White is chairman, is planning an intensive campaign for adoption.

Majority Party Blocks Charter Bills in Pennsylvania

The Pennsylvania legislature adjourned on May 30th after an all-night session without passing any legislation on charter revision for Philadelphia or Pittsburgh. When it became evident that the House of Representatives intended to "pickle" the Philadelphia city charter bill which had passed the Senate, in spite of the overwhelming popular demand for its adoption, Senator Franklin Spencer Edmonds, Philadelphia Republican, introduced a bill under which any charter revision could have been put on the ballot by a 20 per cent petition, but this also failed. The Philadelphia Republican machine apparently was unwilling to risk its chances in any popular referendum on a plan which it thought threatened its political future. Plans to punish the organization in the mayoralty election this fall and to continue the charter fight for a future session are under discussion.

Boston Bill Advances But is Lost

After a well attended hearing the Massachusetts legislature's Committee on Cities reported favorably the bill to extend to Boston the right already conferred on all other Massachusetts cities to adopt P. R. for its city council by petition and popular vote; whereupon the Senate passed the measure by a vote of 20 to 13. The House, however, killed it on May 31st, 106 to 97.

Illinois Bills Narrowly Defeated

Once again the Illinois legislature has refused to permit all cities in the state to use P. R. and the manager plan, but by a vote close enough to give some encouragement for the future.

City manager-P.R. enabling bills, substantially the same as those introduced in the 1937 regular session and the 1938 special session, were introduced in the current session of the Illinois General Assembly on February 7th.

The new bills differ from the others in an increase of the size of the council, in cities of 500,000 population or more, from nine to eleven; and in placing the administration of civil service under a personnel director, appointed by the manager, and the creation of a civil service commission composed of the personnel director and two members to be named by the city council. Provisions for initiative and referendum were also incorporated in the new bills in the hope that they would be instrumental in winning more labor support.

The Municipalities Committee of the House of Representatives devoted two hearings to the bills, after which a motion that they be voted out of committee with the recommendation that they pass failed on a roll call fifteen to sixteen. A motion to vote them out with the recommendation that they do not pass was then carried sixteen to thirteen.

By agreement of the proponents and opponents of the bills a debate was held before the Committee of the Whole House and the bills advanced to second reading. Some twenty-five amendments were then offered, the first of which was to eliminate cities of 500,000 population or more from the bills. On second reading a motion to table the motion to adopt this first amendment lost by a vote of sixty-four to sixty-seven. Encouraged by this success of the Chicago machine, Representative Harry M. McCaskrin of Rock Island moved to amend House Bill 225 (the principal bill) by striking out the enabling clause. This motion was carried by a vote of sixty-nine to sixty-six and the prospects of getting city manager legislation passed at this session of the General Assembly were dead.

The opposition to the city manager bills consists of the Kelly-Nash machine and the Chicago Federation of Labor. While some of the proponents believe that labor's opposition is because of deals with the machine, there is little question that many labor leaders and some legislators sincerely believe that the city manager plan is a "dictatorship" and "un-American."

ROBERT J. GARRIGAN
Chicago City Club

A P. R. Leader in Chicago Council

Paul H. Douglas, professor of economics at the University of Chicago, trustee of the Proportional Representation League, and for some years president of an active Illinois branch of the P. R. League, was elected this spring to the Chicago City Council as alderman from the fifth ward. Running as an independent, but with the support of Mayor Kelly, Professor Douglas defeated Alderman James J. Cusack, Jr., by more than 6,000 votes. One of the numerous groups which supported Professor Douglas in his campaign was the Chicago City Manager League, which has been working for optional P. R.-city manager legislation.

Can It Happen Here?

The following editorial appeared under this heading in the Cincinnati Post on April 15th, shortly before the conviction and imprisonment of "Boss" Pendergast of Kansas City.

Why should Kansas City, with a city manager, have rotten public administration?

Why should Cincinnati, also with a city manager, have honest and economical municipal government?

The two cities are not far apart in population. Their municipal problems cannot be so very different. The average man and woman in Kansas City must be as eager for good police and fire protection and efficient and economical public services as are the people of Cincinnati.

Why do the people of Kansas City appear helpless to make a change? Why isn't there a minority in their city council to speak up in protest, at least?

A good part of the explanation, we believe, goes back to the forces behind the Council and the method of electing the municipal law-making body there.

Kansas City uses almost the same type of ballot which the Republican organization proposes for Cincinnati. (The major difference is that Kansas City has a run-off primary which is not included in the local proposal.)

The net result of this voting system in Kansas City has been that the Pendergast machine has captured EVERY SEAT in Council since 1930. The opposition voters have been disfranchised in a way that no group of Cincinnati voters has been since 1925.

Even though the opposition might rise to 49 per cent of the total vote, it STILL lacked a vote in Council.

With this absolute control, it was not

illogical that the Pendergast machine should name the city manager. And not only name him, but dictate all his policies and actions.

As a result, Kansas City's municipal government has functioned behind closed doors with Boss Pendergast on the throne. There was no debate on the merits of public issues in the open. The voting was a mere formality for the sake of the record.

But why, comes the question, did not 51 per cent of the people rise up and put in a reform Council?

In the first place, it is not easy to oust a political machine well fortified with patronage and with abundant favors to distribute. Cincinnati's long history of domination by the George B. Cox machine, in spite of occasional flurries of reform, illustrates that argument. . . .

P. R. does two things which tend to keep a politically-minded majority from overstepping bounds.

It keeps minority representation in Council and it forces the selection of better candidates by the political parties.

The comparisons between the quality of the seven Councils elected under P. R. and the quality of any seven Councils elected before 1925 prove the second point without need of any further evidence.

The value of a minority in checking unwise legislation was demonstrated no later than last year when the Republicans in Council proposed the creation of a Conservancy District. Although they appeared to have a fifth, and deciding, vote with them, they dropped the proposition under fire from the four Charterites.

We believe in the city manager form of government, but a city manager dancing to the tune of a political machine intent on its own perpetuation in power would be worse than useless.

P. R. makes it easier for Cincinnati to retain non-political management of the city's business.

P. R. makes it harder for a new George B. Cox machine to be built up in Cincinnati.

Standard P. R. Rules for New York State

The joint legislative committee appointed last year to revise the New York State election law submitted a divided report to the state legislature at its recent session. The Republican report, signed by Assemblymen MacNeil Mitchell of New York City and Carl E. Darling of Dunkirk, contained the following recommendation:

> *Proportional and Preferential Voting.* Wherever proportional representation has been adopted, it has required setting forth at length a moderately bulky set of special rules. There is such a set for counties in the optional county government law. There is such a set in the new charters of Yonkers and New York City. Other cities will doubtless be voting on similar provisions from time to time. Without in any manner indicating an opinion as to the desirability or practicability of proportional representation but solely for convenience and uniformity and to avoid needless duplication of provisions, we recommend that a new article be added to the election law setting forth standard rules for proportional representation which can be adopted by reference in any statute or charter with only such changes as the statute or charter may specify. We propose to include—as in the optional county government law—standard provisions for majority preferential voting, which is the corresponding method for the election of a single official instead of a group of representatives.

No attempt was made to carry out this recommendation this year; but because the legislature has another year to run and both houses have Republican majorities, there is a good chance of enactment in 1940.

A Jewish Testimonial from Ireland

One by-product of the Waterbury, Connecticut, campaign for a P. R.-city manager charter is the following statement by Hon. Robert Briscoe, a resident of the P. R. manager city of Dublin and only Jewish member of the Irish Chamber of Deputies (*Dail Eireann*), recently given to a representative of the Waterbury Citizens Good Government Association.

"We find that wherever city management is combined with an elected representative legislative body, which retains in the hands of the legislators the right to prescribe policies of government, it works very satisfactorily. In fact, this form of city government is being gradually installed all over the country [of Eire].

"Dublin is a city functioning under the city manager plan, and the members of its municipal legislative body are elected by proportional representation. In fact, all elections in Eire are conducted under the proportional representation method of election, and have been for about twenty years.

"A legislative body, representative of the people and elected by proportional representation and having complete control of the policies of government, when combined with the plan of having an independent non-elective manager to administer the administrative functions of government, is the most democratic method of government we know. This plan makes it possible for the people to control their government by electing the legislators who prescribe the policies and who are responsible to the people. The manager, not being elected, is removed from political influence, and he is free to devote his attention to the business of managing the executive affairs of government.

"Proportional representation is, in our opinion, very necessary because we believe in democracy. P. R. assures every sizable minority a voice in the government while preserving majority rule. P. R. has worked very well all over Ireland during the last twenty years, and we would not change it for any other system of elections yet devised."

LEGISLATIVE COUNCIL

(Continued from Page 432)

lative mill in the last thirty days! The more alert citizens of the state, therefore, appear to be willing to give the council an opportunity to provide for more orderly, constructive, and responsible legislative planning to avoid the usual end-of-the-session rush.

The twin devices—the Department of Legislative Reference, which has enjoyed considerable popularity, and the research division of the council—should prove to be one of the strongest features of the plan. The state should receive many able and constructive reports on its problems from these agencies.

The student of government would like to prophesy that Baltimore City and the twenty-three counties of the Free State will receive better treatment at the hands of the legislature under the council. Such is not likely to be the case if the statute is viewed in the manner of a strict constructionist. As with other states having similar councils, however, the true test lies not so much in what is written into the act but rather the practical operation and administration of it. At the very least the Governor and the Democratic party in Maryland are to be congratulated on the establishment of this agency which would seem to be a step in the direction of better legislation and legislative procedure.

Recent Books Reviewed

EDITED BY ELSIE S. PARKER

The Government of Greater Germany. By James K. Pollock. New York City, D. Van Nostrand Company, Inc., 1938. xiii, 213 pp. $1.25.

To the growing number of books in English on the National Socialist regime as a whole, Professor Pollock has added a study notable for its particular approach to the subject. As a textbook on government, it is of course comprehensive in scope. But its emphasis is not so much on political forces, ideological motivations, and the social and moral implications of the regime's methods and achievements, but rather on the governmental machinery that makes up the Third Reich. Two introductory chapters summarize the physical and cultural setting and the historical development of German government. A final chapter touches somewhat sketchily upon German foreign policy.

The remainder of the book is devoted to the set-up, scope, and functioning of the governmental machine, based on the distinction of politics and administration as the two main aspects of modern government. Successive chapters, accordingly, deal first with the ruling party, its leaders and theories, its elaborate organization, and its official position in the state; and with the political structure of the government, concentrating all powers in the Führer. There follow chapters on national administration, its direction, organization, personnel, and finances; on district and local administration, including the liquidation of the states and the centralization of municipal government; and on the special administration of economic, social, cultural, and religious affairs.

The book contains a wealth of factual information on these matters of political organization and administration and reflects the author's familiarity with institutions unusually complex and baffling to the foreign observer. Its due emphasis on the central position of the Nazi party as a governmental institution, on the devices of centralization and integration of the administrative system but also its tangles and recurrent illogicalities, and on the deliberate confusion of basic powers reveal the author's grasp of the subject.

American administrators will find his succinct statements on departmental coordination, the civil service, the budget and financial administration of especial interest. Much may be learned from German experiences in matters of administrative technique if proper regard is given to the differences of political foundations. Professor Pollock's book, within the limits he has set himself, is a helpful guide to such comparative studies.

KURT WILK
Formerly with University of Berlin

City Manager Government in San Diego. By Harold A. Stone, Don K. Price, and Kathryn H. Stone for the Committee on Public Administration of the Social Science Research Council. Chicago, Public Administration Service, 1939. iv, 72 pp. Fifty cents.

The Big City. By Robert Sinclair. New York City, Reynal & Hitchcock, Inc., 1938. x, 419 pp. $3.00.

Five Cities. By George R. Leighton. New York City, Harper & Brothers, 1939. x, 370 pp. $3.50.

A well known philosophical theory has it that no two people see the same thing, be it ever so material, in the same way. These three books prove it. While all the authors do not, unfortunately for comparative purposes, write about the same city, they all write about cities from an over-all point of view. *Which* over-all point of view is what makes them as startlingly different as they are.

City Manager Government in San Diego is confined to a discussion of government, but it is not thereby limited to a narrow structuralism. The life of the city flows through this ninety-year tale of good and bad municipal government. Specifically, Messrs. Stone and Price and Mrs. Stone have seen government as a mobile institution driven by the twin steeds of form and personality. They show that although the council-manager form has worked better than the other forms used till 1932, it, like the others, has been affected by "good" and "bad" political personalities and citizen activity or inertia, as the case might be.

The writers find no case against council-manager government, but neither do they mount a soap box in its favor. That is not to say that they attempt to make generalizations applicable to all cities. This is a case study of municipal government in one city. Rich with specific details, it is for that very reason that the authors dare not report out lessons for the generality of cities. To the impatient practical citizen, this may be a disappointment. To the political scientist, it may be a delight. Anyone may draw his own conclusions from the data set forth in *City Manager Government in San Diego*. It is a unique contribution to the source material of political science.

Mr. Sinclair's *The Big City* "takes the lid off the capital of the British Empire and, by implication, of [sic] every great metropolis of the western world," according to the blurb on the jacket. Here is another over-all view, but such a jaundiced view that fortunately the reader is warned away, by its very transparency, from taking the thing too seriously. The author set out to take off a lid, and was so concerned with letting the foul odors escape from the brew that he let out the vitamins too. It is much easier to report ill of anything under the sun than it is to report truly both good and evil. The author damages his own case by his one-sidedness.

The railroads, labor, the force of the moneyed interests, constitute the over-all view of *Five Cities*, by George R. Leighton, an interestingly told history of Shenandoah, Louisville, Birmingham, Omaha, and Seattle. Useful enough as a sketch of the three economic forces the author sees most clearly, the book loses the universal validity implied by the inclusive title because, again, Mr. Leighton has concentrated too narrowly.

Perhaps it is too much to expect that any one author can tell the full-bodied story of a city, cramming *all* the essential elements into the one canvas. Perhaps then one could not see the forest for the trees. But it sounds like a job worth trying.

M. R.

American Public Finance. By William J. Schultz. New York City, Prentice-Hall, Inc., 1938. xx, 807 pp. $5.00.

The revised edition of Dr. Shultz's book, which first appeared in 1932, adds a treatise to the literature in this field which should meet the need of the general reader as well as the demand of the textbook market.

Somehow or other Dr. Shultz has succeeded in telling his story so simply and clearly that the book can profitably be used not as a mere textbook, but for ordinary reading as well. Of course there are chapters which must be read slowly and carefully, and more than once. This is inevitably true of the treatment of shifting and incidence. But it would be difficult indeed to go farther in the way of clarity and conciseness, without sacrifice of thoroughness, than Dr. Shultz has done.

It seems such a short time ago that there was a dearth of usable texts in this field. One can scarcely realize the present abundance, when Shultz's book is added to those by Buehler, Lutz, Jensen, and others, not to mention the many treatises in individual segments of the field. Only a little while ago public finance was scarcely more than a study of the forms of taxation. Later the aspects of governmental scope and function, and of expenditure, were included, and still later Lutz made financial administration permanently a part of the field.

Shultz, too, has played his role in devoting an entire section of the six into which his book is divided to "Federal-State-Local Fiscal Inter-relationships." It is difficult to justify any book on public finance in America, at least from now on, which omits an adequate treatment of this phase of public finance. In my opinion it will be permanently and increasingly important.

The appendices of Dr. Shultz's book contain a wealth of interesting material by way of forms used in assessment, budgeting, tax collection, and the like, which should lend realism to the descriptive material in the text.

While the treatment is strong throughout, it would not be fair to conclude without noting the particular effectiveness of Shultz's treatment of the constitutional aspects of taxation.

And may I be pardoned if I repeat, here is a book on public finance which is readable enough for the ordinary citizen.

EUGENE GREIDER

Rutgers University

Specifications for the Annual Municipal Report (Tentative Draft). Chicago, International City Managers' Association, 1938. 16 pp. mimeo. Fifty cents.

In the sixteen pages of this booklet are clear concise instructions on how an annual municipal report should be put together and what it should contain. In the beginning the point is stressed that the report is to be made to citizens, not auditors or technicians. Also it advises the reporting official to tell the whole truth, not merely the facts which make a good showing.

Because it is admittedly a tentative draft it is to be hoped it will be read by lay citizens as well as officials, so they may make suggestions as to improvement from the taxpayer's viewpoint.

This reviewer hopes the draft will be read by political and social science teachers in our smaller cities, for they, with the help of the older high school pupils, could very well be of assistance in preparing the municipal report each year. In a little town of southern Illinois a public forum was held under the auspices of the local school system in the spring of 1938. The alert teacher of civics in the high school was present with the juniors and seniors, as was also the mayor and councillors. The discussion turned to the problem of proper municipal reporting, when the mayor hurriedly left and returned with a huge cardboard on which in colored chalk he had tried to diagram municipal income and outgo. Before the meeting ended an arrangement was worked out between the mayor and the teacher which each year will put the graduating students directly in touch with their city government and provide the older citizens with a readable, comprehensive municipal report. The students are to gather the data, work up the diagrams, mimeograph or print the report, or in any appropriate way bring the result of their work to the taxpayers' attention, which persons will be, of course, their own parents.

If a similar project were carried out in every city, one of the tools needed would be this booklet.

W. J. M.

Additional Books and Reports Received[1]

City Government

A Report upon a Survey of the Administrative Methods and Finances of the Government of the City of Johnson City, Tennessee. By Tennessee Taxpayers Association. Nashville, Tennessee, 1939. 185 pp. mimeo.

Police and Allied Powers of Municipalities in Texas. By Stuart A. MacCorkle. Austin, University of Texas, 1938. 203 pp.

Legislative Councils

Legislative Councils. By Maryland State Planning Commission. Baltimore, Maryland, 1939. 81 pp.

Planning

Regional Planning in the Pacific Northwest. By Lewis Mumford. Portland, Oregon, Northwest Regional Council, 1939. 20 pp.

Regulation of Residential Buildings. Overzoning for Business. First and second reports on Zoning in Cuyahoga County. Cleveland, Regional Association of Cleveland, 1938 and 1939. 7 and 21 pp. mimeo.

Police

Modus Operandi. By The Wichita Police Department. Wichita, Kansas, 1939. 69 pp.

Municipal Police Administration in Texas. By R. Weldon Cooper. Austin, University of Texas, 1938. 320 pp.

The Police Yearbook, 1938-39. Chicago, International Association of Chiefs of Police, 1939. vii, 296 pp. $2.50.

Public Health

Health Insurance. By Committee on Social Welfare. New York City, City Club, 1939. 34 pp.

Proceedings National Health Conference, 1938. By Interdepartmental Committee to Coördinate Health and Welfare Activities. Washington, D. C., Superintendent of Documents, 1938. ix, 163 pp. Thirty-five cents.

Public Health Services. By Norman Wilson. London, William Hodges & Company, Limited, 1938. 244 pp. 7/6 net.

The Nation's Health. Discussion at the National Health Conference, 1938. By Interdepartmental Committee to Coordinate Health and Welfare Activities. Washington, D. C., Superintendent of Documents, 1939. 116 pp. Twenty cents.

Public Welfare and Relief

Aid to the Blind and to Dependent Children. By Research Department, Illinois Legislative Council. Springfield, Illinois, 1938. 33 pp. mimeo.

Federal Aid for Relief. By Edward Ainsworth Williams. New York City, Columbia University Press, 1939. 269 pp. $3.25.

Problems and Procedures of Unemployment Compensation in the States. By Walter Matscheck and Raymond C. Atkinson for the Committee on Social Security of the Social Science Research Council. Chicago, Public Administration Service, 1939. 85 pp. $1.25.

Social Work Year Book 1939.

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[1] See also "Research Bureau Reports Received," page 460.

Edited by Russell H. Kurtz. New York City, Russell Sage Foundation, 1939. 730 pp. $3.50.

State Government

Reorganizing State Government in Colorado. Denver, Colorado, Bureau of Business and Social Research and School of Commerce, Accounts, and Finance of the University of Denver, 1939. (Issued concurrently as Pamphlet No. 23 of the City Club of Denver.) 24 pp.

The State Administrative Board in Michigan. By George C. S. Benson and Edward H. Litchfield. Ann Arbor, Bureau of Government, University of Michigan, 1938. x, 107 pp. Fifty cents.

Taxation and Finance

Income in the United States, 1929-37. By Robert R. Nathan. Washington, D. C., United States Department of Commerce, Bureau of Foreign and Domestic Commerce, 1938. 42 pp. Ten cents.

The Public Debt. New York City, Tax Policy League, 1939. 15 pp. mimeo. Twenty-five cents.

Taxation of Intangibles in Michigan. By Robert S. Ford and William B. Wood for Bureau of Government, University of Michigan. Ann Arbor, University of Michigan Press, 1939. ix, 156 pp.

Tax Delinquent Land in California. A Review of the Problem and a Plan for Its Solution. By California State Planning Board. Sacramento, 1938. 89 pp.

Taxing Intangibles—The Problem and Methods. (Based on *Taxation of Intangibles in Michigan,* listed above). By Bureau of Government. Ann Arbor, University of Michigan, 1939. 13 pp.

Taxpayers' Organizations: Supplement. New York City, Tax Policy League, 1939. 28 pp. mimeo. Fifty cents.

Miscellaneous

A Deposit System for Independent Nominations. By Walter M. Weis. New York City, City Club, 1939. 12 pp.

A Manual for Justices of the Peace in Wisconsin. By Roy Tulane. Madison, League of Wisconsin Municipalities, 1938. 29 pp. mimeo. $1.00.

Play Space in New Neighborhoods. A Committee Report on Standards of Outdoor Recreation Areas in Housing Developments. New York City, National Recreation Association, 1939. 23 pp. Twenty-five cents.

Progress Report. By National Resources Committee. Washington, D. C., Superintendent of Documents, 1939. v, 51 pp. Fifteen cents.

Street Cleaning Practice. By the Committee on Street Cleaning. Chicago, American Public Works Association, 1938. xiii, 407 pp. $4.00.

The Public Works Administration. By Jack F. Isakoff. Urbana, University of Illinois Press, 1938. 166 pp. $1.50 paperbound; $2.00 clothbound.

Classification and Pay Plans for Municipal Public Libraries. By American Library Association. Chicago, 1939. xv, 189 pp. mimeo. $2.25.

The Delaware River Basin—The Upper Valley. Planned Development or Exploitation? Philadelphia, The Interstate Commission on the Delaware River, 1939. 20 pp.

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Southern Counties: Diagnosis and Prognosis

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NATIONAL MUNICIPAL LEAGUE

The League's Business

Clifford W. Ham

It is with deep regret that we announce the death of Clifford W. Ham, executive director of the American Municipal Association and long active in the work of the National Municipal League. One of the interesting sidelights on Cliff is that he was perhaps the first product of a graduate course in municipal administration to become a city manager. He took the course in public administration at the University of Michigan in the early years of its existence and served as manager of Gladstone and Pontiac, Michigan. After leaving the field of city management he became associated with the American Municipal Association and four years ago became its executive director.

Citizens' Councils to the Fore

With the passing of the particular depression situation which originally called the citizens' council idea into existence, the plan is being revamped, given a larger significance, and more closely integrated with the program of the National Municipal League in a National Federation of Citizens' Organizations.

The purpose of the federation is: (a) to promote active association of local citizens' councils and other citizens' organizations that are kindred in the sense that they are based upon the idea of more intelligent and effective citizen participation in government; (b) to assist in organizing other citizens' councils, or similar groups, under whatever name, that are dedicated to essential citizens' council objectives; (c) to supply information to all members of the federation that will be of value in arranging local programs; and (d) to build up gradually, as resources permit, a competent force of speakers and field workers whose services can be drawn upon when expert help is required to get council groups organized and under way.

Dr. P. P. Womer, President Emeritus of Washburn College, and until recently head of its Department of Citizenship, expects to devote full time to field work on behalf of the councils, beginning in September.

Two new pamphlets on the subject are now available for distribution: *Citizen's Councils, a Device to Mobilize the Forces of Each Community in the Interest of More Effective Citizenship,* and *A Program to Improve the Quality of Government by Improving the Quality of Citizenship.* Copies of both may be secured from the League's office without charge.

HOWARD P. JONES, *Secretary*

National Municipal Review

Editorial Comment

Big or Little, We Foot the Bill

WHENEVER an opportunity comes to emphasize the important truth that everyone, big or ittle, helps to foot the tax bill, it's a compelling temptation to be as emphatic as possible. Thus, when the excellent Leonard tax burden study[1] was published some weeks ago, the outstanding fact seemed to be that low income families ($2,500) worked a month out of the year to pay direct taxes alone. This was widely publicized.

Now comes this complaint from an able and conscientious public official:

"Many taxpayers . . . may be led to believe that all governmental agencies are grossly extravagant after reading this . . . It (the study) may be used by tax quacks and others who do not appreciate the necessity of government. Therefore, may I suggest that a survey be made and another article written pointing out to the taxpayers the benefits they receive from the governmental agencies in this democracy."

This is a basically sound observation, one which calls attention dramatically to the widespread current distortion by tax charlatans of originally trustworthy information.

The NATIONAL MUNICIPAL REVIEW is not one of those publications which regard expenditures through governmental agencies as unproductive. After all, government is simply the medium through which people perform collectively those services which they cannot perform as well or as economically on an individual basis.

Governmentally-operated services and improvements on the whole fall in the category of money-savers, not money-wasters. Witness the pride with which the "economy-minded" government of one city abolished the service of garbage and trash collection, only to find that it cost each family two dollars per month, several times the cost under city operation, to have it done by private contractors. It is also demonstrably sound and, in the long run, an economy to keep libraries, night schools, and similar activities in operation, *especially* in times of widespread unemployment.

To make a survey of benefits would be a monumental undertaking —for they are many and great. And, in all honesty, the conductor of a tax "burden" study is under no more obligation to point out all the benefits from these services than is the administration to add to the announcement of the completion of a new city hall: "This represents a cost of ten dollars per capita or thirty-three dollars per family, which will be paid just as certainly by the non-property owner as by the property owner and by the small income families just as certainly as by the large."

That never happens. Has it not rather been customary to gloss over this part of the picture and to convey the idea that improvements and expansions of service are always necessary and within the ability of the community to pay?

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[1] The Direct Tax Burden on Low Income Groups, by J. M. Leonard, National Municipal League, 1939. 35 cents.

Many cities, of course, might well follow the example of some which take positive action to inform their "stockholders" not only of the money paid for each governmental activity but also of benefits derived through the expenditure of this money.

With single-idea pressure groups continually taking positive action toward the improvement and extension of the particular services in which they are interested, the onus of making a show of resistance usually falls on commercial and so-called taxpayers' associations. The basic inability of the average citizen to understand the universality of tax paying is well illustrated by, for example, the habitual limitation of membership in the taxpayers' associations to property owners. Seldom indeed is there adequate if any representation of those who rent homes, live in furnished rooms or in hotels.

The owners of this democracy certainly have every obligation to realize that government costs have mounted because they themselves have demanded services which three generations ago did not exist or were performed by each individual for himself. But at the same time they have an equal obligation and a right to learn that everyone, and not merely an outstandingly able few, foots the bill.

Why Binghamton Abandoned the Manager Plan

(Continued)[1]

HARASSED by mounting costs and wastefulness in the operation of public services, Binghamton, New York, adopted the council-manager form of government in 1932.

The plan worked—if the test be reduced operating expenses, reduced debt, improved services, elimination of unnecessary jobs for "the faithful," efficient organization and honesty in public office. But two serious floods during the manager regime and the transfer of growing relief costs from the federal government to the municipality made borrowing necessary, even though the total debt and debt service cost both were lowered. An honest pay-as-you-go policy did, however, cause a temporary increase in the tax rate.

In 1937 Binghamton, with only 38 per cent of the qualified voters going to the polls, permitted the abandonment of the council-manager plan by a margin of 2,416 votes, clearly showing the blasé indifference of a considerable part of the citizenry.

Now the story has been brought up to date by the indictment of Binghamton's mayor—the selfsame politician who led the fight against the manager plan—on eighteen extortion counts. That's much more exciting than good management. The mayor-council plan itself probably didn't cause the present situation any more than the council-manager plan caused two years of floods. Perhaps the answer is for Binghamton to get out 83 instead of 38 per cent of the vote.

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[1] See also editorial, "Why Binghamton Abandoned the Manager Plan," NATIONAL MUNICIPAL REVIEW, June 1937, page 275.

Managing Minnesota

By HAROLD E. STASSEN, *Governor of Minnesota*

Provision for appointment of a "commissioner of administration" by Governor, reorganization of important state departments, and application of the merit system to state employees among significant measures passed by this year's legislature.

STATE government in Minnesota has grown and expanded like that of most states. New departments have been added and boards created as new needs arose, until at the beginning of this year there were no less than sixty-four different bureaus, agencies, boards, and departments. Imagine the difficulties of a governor who tries to keep in touch with the activities of a complicated pattern of departments such as this.

This administration recommended at the outset, and the legislature has now approved, application of the merit system to state employees and reorganization of some of the more important state departments in two far-reaching proposals to improve administration. In making this reorganization three boards were abolished and replaced with single officials in the conviction that greater efficiency can be obtained through individual officials. Responsibility can be fixed more definitely under the new plan, and the single official can act more promptly and follow a more consistent policy than is possible with cumbersome boards.

One of the most important provisions in the reorganization act was that which created the office of "commissioner of administration." Appointed by and responsible to the governor, the man who holds this office will have supervision of business and financial matters, with broad powers which may be said to approximate very largely those of a business manager for the state. With the demands made upon him, a governor cannot find time to deal properly with the many business problems that confront him. The need of a single official, close to and responsible to the governor, who can assume most of these duties of management long has been evident.

First steps were taken in this direction in 1925. A reorganization act passed at that time consolidated some departments in order to simplify administration and concentrate more power under the governor, with a commission of administration to carry out his wishes. The commission consisted of the comptroller, the purchasing agent, and the budget commissioner who had charge both of the budget and of personnel. The commission as a whole had to pass on all important matters. As it worked out in practice, however, the commission usually accepted the recommendation of the member handling the department involved. Responsibility could not be centered, and administration was slowed up.

The setup of the board gave rise to several curious circumstances: for example, the comptroller as a member of the commission took part in the letting of contracts and supervision of departments; but at the same time, in his capacity of public examiner, he audited and examined the results of his own work.

This commission of administration

and finance has now been abolished. The merit system act, patterned after more advanced measures in other states, removes state employees from the control of the budget commissioner and places them under a civil service department. Budget-making will be handled by the commissioner of administration along with his other management duties. The office of budget commissioner thus will pass out of the picture. The purchasing agent and his assistants are being placed under the commissioner of administration. The former state comptroller has become public examiner under the new act, appointed by the governor for a six-year term, and will carry on his work of examining and auditing books of both the local units of government and state departments as an independent official. He will have nothing more to do with the letting of contracts or financial control of the state departments, but will confine his activities to a post-audit or examination of the books and records.

COMPLETE BUDGET PROCEDURE

The reorganization act provides for a new budget procedure in line with accepted standards. It requires that the governor submit a budget to the legislature and at the same time outline a program for raising the money needed to balance the recommended appropriations. The commissioner of administration, in preparing this budget for the governor, must cover all state expenditures, including dedicated funds as well as borrowing. In other words, the budget must be complete. Unspent balances at the end of each year will become void unless specific provision to the contrary is made at the time of the appropriation. This has not been the practice in Minnesota.

Citizens and even members of the legislature have found it almost impossible, as a result of former omissions, to determine how much money has been appropriated. Often weeks are required before officials can figure out the result of legislative action in dollars and cents. This is not sound public policy. The first essential of good government is to know what the state is doing and where it is going.

It is not enough, however, to have a full and proper budget presented. Under the reorganization act a plan has been set up whereby the commissioner of administration may know at any time the status of the various funds. The act gives him power through the quarterly allotment provisions to scale down expenditures wherever needed to keep them within appropriations. There is no way to get adequate information of this kind under our present system. Large deficits can be incurred easily without an opportunity for the governor, or other officials who might exercise a controlling or restraining influence, to find out with any definiteness what the situation is. So reconciled has the state become to handling its financial operations in the dark that for some years provision has been made whereby officials may borrow as much as $6,000,000 from other state funds and $3,000,000 from the banks for general revenue purposes, and so have $9,000,000 in current loans outstanding. Part of the necessity for this borrowing has been due to the fact that the state depends for much of its revenue upon gross earnings taxes and other special taxes, whose return, being dependent somewhat on business conditions, cannot be forecast definitely. Much of the trouble, however, has been due to the lack of any real information on expenditures and the absence of any systematic effort to control them.

UP-TO-DATE ACCOUNTING INSTALLED

A modern, centralized state accounting system is essential to exercise intelligent control over the funds appropriated by the legislature. Heretofore Minnesota really has had two accounting systems, one in the commission of administration, the other in the office of the state auditor, who is an elective official. Neither has given the information needed for effective financial control.

The legislature has assigned the task of installing and operating a modern, central accounting system to the state auditor, and he now is busy getting it organized. The accounting is to be set up on an "accrual" rather than a cash basis. The purchasing department will notify the state auditor when each purchase or contract is made, and funds of that department will be encumbered at once for the proper amount. This will give the true financial condition of the state government at all times.

With this information before him constantly, the commissioner of administration can exercise some real control over expenditures. He can check expenditures against appropriations as he goes along and against receipts as well. The new act provides that appropriations are not available for departmental expenditures, except for the courts and the legislature, until the commissioner of administration has approved detailed budget plans for the following three-months period. The amount appropriated by the legislature is the maximum that a department may spend, but quarter by quarter the commissioner of administration must be convinced of the desirability of actual expenditures. If revenues fall off and there is indication that there will be a deficit in the treasury or the general revenue fund, it is mandatory upon the commissioner of administration to reduce allotments.

All purchasing activities will now be centered under the commissioner of administration. The board of control, handling our state institutions and many welfare activities, had been allowed by statute to make its own purchases, and the highway department also was allowed in effect to make its own purchases. Previous to the adoption of the new legislation, requirements for bidding on state purchases were weak, except in the case of highway construction, and there was little semblance of the open, competitive bidding that ought to prevail on state purchases and state contracts. Such spectacles as the state buying $100,000 of road materials on purchase orders without public advertising and open and competitive bidding are now impossible. Under the new law it is clearly mandatory to take bids on all purchases over prescribed amounts. On amounts over $500 sealed bids must be solicited by advertisement in a newspaper or trade journal and notices to prospective bidders by mail, and the bids must be opened in public at a designated time. Sealed bids also are required on purchases of from $200 to $500, but newspaper advertising need not be used on these purchases.

The commissioner of administration, with the many duties prescribed, will need the help of specialists in many lines. He will need a man to operate state buildings, another to take charge of purchasing, another to handle state printing, etc. But he will be able with competent help to keep closely in touch with and supervise the activities of all and become in this way a useful and effective right arm of the chief executive. He is appointed for a two-year term at $6,000 a year, and his tenure thus will coincide roughly with that of the governor.

TAX BOARD ABOLISHED

The changes in other departments made in the reorganization act also have been prompted by a desire to simplify the governmental machinery and improve administration. One of these changes involves the tax commission. We have had for many years a tax commission of three members, with administrative and judicial duties combined. This board has been replaced by a single commissioner who will have charge of administration, and by a part-time board of tax appeals, consisting of three members, to hear appeals. Utilization of a separate board to hear appeals represents a new departure, but it is based on sound logic. The commissioner will be appointed by the governor, with approval of the Senate, for a six-year term at an annual salary of $6,000.

The act also abolishes the board of control, consisting of three members, which has directed state institutions and many of the welfare activities. In its place three divisions are set up, a division of public institutions, handling state asylums, prisons, and other institutions; a division of unemployment and security, in charge of unemployment compensation and public employment work; and a division of social welfare, handling relief and welfare activities. Each division will be under the supervision of a director, appointed by the governor with approval of the Senate, for a four-year term at $5,000 annually. The three directors make up a social security board, set up largely to coördinate activities of the three divisions, but the board has no authority to interfere with the administration of any of the divisions. Each director is supreme in his own domain.

We have not attempted a complete reorganization of the state government, but have attacked only a few departments where changes seemed most essential for improved administration. Many changes still are needed.

The administration has been convinced that we must have a civil service law for state employees as a companion measure to the reorganization act. The legislature has worked out a satisfactory solution to this much debated proposal, and the newly created civil service board now is organizing the system. Employees who have been in the service five years or more on August 1st this

(Continued on Page 508)

Citizenship Day in Manitowoc

By S. V. NORTON, *Oakland Citizens League*

Wisconsin county holds special celebration to welcome county's seven hundred "twenty-one-year-olds" to citizenship; ceremony follows training courses in government and the responsibility of the citizen in American democracy.

AT THE convention of the National Municipal League in Baltimore last winter, Dr. Clarence A. Dykstra, president of the University of Wisconsin and of the League, discussed the need for reappraising the benefits of American democracy and for firing the imagination of our people "with a passion for our traditional way of life." During the course of his address Dr. Dykstra said:

"We have taken for granted the perpetuation in America of the Democratic process. In these latter days, none the less, we are finding many who say they are disillusioned. Faith in the democratic experiment is not as strong even in the United States as it was a decade ago. Moreover, our traditional way of life is being assailed from the outside. The short wave radio broadcasts from other shores and the activity of propagandists here and there in local communities are raising questions in the minds of many Americans which make us wonder sometimes just how invulnerable to world movements America is.

"The dictators . . . are cultivating a common interest and a new goal. They are teaching the doctrine that to save one's life, one must lose it in devotion to a common social ideal. They are using every available educational facility for pounding home this ideal. They are making zealots out of citizens and arousing an enthusiasm for the new order which passes our understanding. They are bringing up a generation which is confident of itself and ready to dare anything for the accomplishment of a national goal."

On another occasion Dr. Dykstra told the Council of the League that he had been considering the possibility of suggesting the establishment of a "Citizenship Day" as a national holiday in the United States, which should be to the youth of our country what the solemn ceremonies practiced by our tribal ancestors were to those passing through the transition from boyhood to manhood in that time.

"In our democratic society which threw overboard all ritual," Dr. Dykstra said, "we have done nothing to impress upon our young people that at twenty-one they become responsible voting members of the body politic." He then gave an outline of what he considered a suitable celebration of entrance into citizenship, and predicted that if his plans worked out as he hoped such a program would be inaugurated in May of this year, in the city of Manitowoc, Wisconsin.

The reason for selecting Manitowoc was interesting. Dr. R. J. Colbert, chief of the Bureau of Economics and Sociology of the University of Wisconsin's Extension

Division, had suggested this idea to various communities in Wisconsin where he had held classes. While it had always met with theoretical approval, no real action resulted. During a series of lectures he was giving in Manitowoc, however, his proposal took root. A member of the class, Judge Albert H. Schmidt, was so impressed with its value that he said to the group, "Here is a real challenge to democracy. Let's *do* something about it." Inspired by his enthusiasm the community accepted the challenge and began to lay the foundation for the celebration which later involved the active participation not only of the seven hundred young men and women in Manitowoc County who had reached the age of twenty-one the preceding year, but some twenty-five or thirty thousand older residents.

Judge Schmidt, who had served on the bench in Manitowoc County for twenty-eight years, and was widely known and respected, did much toward making the ceremonies a success. Never claiming personal credit for himself, he succeeded in enlisting and sustaining the active support of local men and women in all walks of life. Working with Mr. George W. Kiel, chairman of the county board, and Mr. A. W. Tetzlaff, county clerk, Judge Schmidt was instrumental in securing a special appropriation from the supervisors which placed activities on a solid foundation.

COMMITTEE APPOINTED

To carry out the plan, Dr. Colbert helped to appoint a General Executive Committee from various groups in the county. Each member thus appointed took it upon himself to enlist the support of the organization from which he came. Among the members of this general committee were such representative leaders as the director of vocational and adult education, who acted as chairman, the superintendent of schools, county clerk, president of the Chamber of Commerce, chairman of the Board of Supervisors, editors of city and rural newspapers, president of the Federation of Women's Clubs, county agricultural agent, president of the Central Labor Council, and the commander of the American Legion Post.

Carefully chosen subcommittees were appointed. These included: ways and means, to prepare the list of new voters and to get in touch with them; program, to arrange the ceremony and ritual; directory, to arrange for participation of organizations and agencies in the county; publicity, for build-up, coverage, and follow-up; records, to prepare permanent lists of new voters and arrange for "alumni" to help carry out next year's program; traffic, safety, and emergency; parade; and decorations.

Persons serving on the subcommittees represented organizations in various parts of the county, and great care was taken to have the work divided equally between urban and rural residents. Moreover, an advisor was appointed for each subcommittee, who represented the general committee, and acted as coördinator of the two.

The University of Wisconsin, through its Extension Division, published an *Organization Handbook* containing the list of committees and the duties of each. This was not only valuable for local leaders and workers, but was much in demand by interested citizens in other states, since it provided a pattern for other communities to follow in organizing similar celebrations.

The first task to be undertaken was the selection and training of teachers or discussion leaders through a series of teachers institutes. Between three and four hundred leaders volunteered their services—school teachers, lawyers, doctors, farmers, as well as business men and women. About half were women. From this group about eighty were finally chosen, their selection depending partly upon their geographic distribution with relation to the new voters. The county officials did their part in the teaching program by attending the teachers institutes and coöperating with the committee.

TRAINING THE NEW VOTERS

Dr. Colbert assumed responsibility for gathering together and putting into usable form the educational materials needed. Organization charts were made for town, village, city, and county government units. These charts showed elective and appointive officers, their tenure, and the legislative authorization for their offices, as well as the relationship of the voter to the various public officers in the county. While other charts revealed similar information as to the state and federal governments, the greater emphasis was placed on local government where the voter has his most intimate contacts with government officials.

The next problem was to find and list all twenty-one-year-old voters. This was the most difficult task of all because this age group is one of the most mobile. School census reports were utilized but they were not complete. In the larger cities, a house-to-house canvass was necessary. The town clerks provided as much information as possible, as did county and city superintendents of schools. School commissioners were authorized to provide lists of names and National Youth Administration workers helped to get lists in city districts without charge.

The organization and training of new voters covered a period of several months. After the lists had been made up, meetings of the young people were called in their various political subdivisions. These took place in the evening, usually in some public school or other public building and in each instance one man and one woman leader were present, the latter acting not only as a teacher, but as chaperon for the young people. The unit groups varied in number, the smallest being nine and the largest thirty-five. At the first meeting each group elected its own officers and from then on the officers acted as representatives for the group, thus giving the new voters an example of democratic government in action.

Training at these meetings consisted of lecture-discussions conducted in the form of round tables on the following subjects: (1) The place of local government in American democracy—the town, village, city, and county—their officers—their functions. (2) The state and nation, their place in American democracy—the role of citizens in state and national affairs—the relation of the state and nation to local affairs—officers, elected and appointed. (3) Relation of government to our everyday life; the spread of the benefit of science and technology; how government agencies contribute to our standards of living; our tax dollar and the private dollar; democracy as a way of life. (4) Standards of public service—politics and preparation for public service; the party system—civil service and the merit system; public service as a career; responsibilities of the citizen in American democracy today; understanding the organization and operation of government units; methods of voting; duties and responsibilities as a participating citizen.

No attempt was made to check the attendance at these classes, or to give an examination at the end of the course, since it was assumed that the voters would be sufficiently interested to attend the meetings and learn as much as possible. In certain cases where voters were known to live at some distance from the place of meeting, transportation was provided.

NEW VOTERS ORGANIZE

After two study meetings of the new voters in their local subdivisions, a large mass meeting or convention was held in the great Lincoln High School, a building which resembles in size and architecture the finest buildings of our American universities. At this meeting the new voters set up their own county organization and chose their county officers.

During this period of organization and training of new voters, other features of Citizenship Day were being prepared, most important of which was the parade, designed to dramatize various aspects of American citizenship.

Money raised through voluntary contributions from merchants enabled the new voters to have thirty-nine floats, one for each political subdivision. Some were constructed in the workshops of the city of Manitowoc, but most were built in the local communities. The subjects for these floats were selected by the young voters, and represented such features as: landing of the pilgrim fathers, negroes made citizens, Miss Columbia, trial by jury, freeing of the slaves, woman's suffrage, Washington crossing the Delaware, birth of Citizenship Day, freedom of religion, and regimentation or recreation.

After months of painstaking preparation which seemed a magnificent expression of American team work and organizing ability, all was in readiness for the celebration which had been set for the third Sunday in May. This day had been selected not without opposition by church leaders who at first felt that the holiday aspect of the affair would be emphasized to the detriment of its spiritual significance. Nevertheless, Sunday observance was finally accepted by all, including leaders of the Catholic, Protestant, and Jewish churches, since they realized it would give them an unusual opportunity to stress the spiritual factors of citizenship. Furthermore the choice of Sunday eliminated conflicts with other celebrations or duties which might have occurred had the observance taken place on a week-day or on a national holiday.

CHURCHES EMPHASIZE CITIZENSHIP

Nearly all the churches devoted their Sunday services to Citizenship Day, while many of the church notices appearing in the newspapers emphasized the spiritual significance of good citizenship.

On Sunday morning it rained heavily and for a time it seemed as though the parade would have to be abandoned. Toward noon, however, the weather began to clear and the crowds assembled on the sidewalks to see the parade. By the time the marshall gave the signal to start, the sun began to shine.

Headed by the Manitowoc Marine Band, one of the oldest and finest musical organizations in Wisconsin, the various floats and companies of new voters proceeded through the city. Bands in gay uniforms from schools, clubs, and fraternal organizations, interspersed throughout the formation, played and marched surprisingly well.

The parade ended at the Lincoln High School where the seven hundred new voters took seats on either side of the speakers' platform. Behind the speakers were the guests and visitors from out of town, some of whom came from New York, Indiana, Illinois, Michigan, and from states as far west as Montana. Friends from California sent messages of congratulation.

The program for the ceremony was printed by the Board of Vocational and Adult Education as a typical project of its printing department, and therefore did not cost the management a penny.

The following passages from the introductory address by Judge Schmidt, who had been appointed Master of Ceremonies, show the broad scope and the seriousness of purpose contemplated in the ceremonies:

"We are met on this occasion to install with appropriate ceremony the like of which America has never seen before, all young men and women of Manitowoc County who have reached the age of twenty-one during the past year, into the status of full fledged American citizenship. These young men and women and all of us who participate in these ceremonies are making history—important history.

"This is the birth of a new day in American democracy. We have planned with great care and detail, intending a national democratic, permanent pattern, building not for a day or a year, but for all time. One important element of our plan is that it starts not at the top working downward, but at the very bottom, at the root and source of American democracy—the township, the village, the city ward, its twenty-one-year-old voter.

"Contemplate, if you please, some 2,500,000 twenty-one-year-old voters in the United States every year *voluntarily*—not by force, not by coercion, not by dictatorial decree, but voluntarily—being inducted into full fledged American citizenship by a proper course of study as to the rights and responsibilities of citizenship, and you have a picture of the importance and the far reaching possibilities of the Manitowoc plan. Our aim and our hope is, not only to educate and inspire the young people of the country, but the older citizens as well—to make this a day when all Americans irrespective of nationality, creed, or political belief shall reconsecrate themselves to a more vigilant and zealous interest and devotion to the principles of Americanism."

The following remarks by Chief Justice Rosenberry of the Supreme Court of Wisconsin were made after the raising of the stars and stripes with flag ceremonies by part of a regiment of infantry. "I am indeed happy to share with you the joy and hope which this occasion has inspired in all of us. I am proud of Manitowoc County—proud of what you have this day contributed to the life of this state and nation. All over the nation there has come a creeping sense of confusion and indifference. You have not only pointed the way out of these stupefying fogs; you are leading the way. You are leading to a rediscovery of the blessings and richness of what it means to be an American; to appreciate, understand, and use the instrumentalities of self-government. You are leading to a rediscovery of the fact that the foundation of this self-government is in our local units—our townships, our villages, our cities, and our counties. Today the eyes of the state and the nation are focused on Manitowoc. You have set a worthy example. Continue to lead the way."

OATH OF ALLEGIANCE

Chief Justice Rosenberry then administered the oath of allegiance which the seven hundred new voters repeated after him as follows: "I do solemnly swear that I will support the constitution of the United States and the constitution of the state of Wisconsin and the laws enacted pursuant thereto, and that I will faithfully discharge the duties and obligations of a citizen of the state of Wisconsin to the best of my ability, so help me God."

The principal address of the afternoon was delivered by Dr. Dykstra which, though brief, was stirring. After referring to the ceremonies practiced by our tribal ancestors in recognition of the transition from boyhood to manhood and the dedication of young men to the service of the tribe, Dr. Dykstra pointed out that up to now no ritual of this kind has remained in our democratic society. Continuing, he said:

"This ceremony at Manitowoc today is an attempt to repair this long omission. Here is youth, seven hundred strong, about to assume the burden of adulthood in a free society. You have experienced a period of training for this new enterprise. You have caught a new enthusiasm for democratic processes and possibilities. You know something of your obligations as citizens. You are organized as a convention of young voters.

"Young people, as you look about, as you read your papers, you realize that our governments in many places have become corrupted and are no longer representative of the whole citizenship. Small groups of partisans and sometimes one person use the political device which we call government for exploitation and even for personal gain. Such a course is not wholesome; nor is it wise for a democracy to allow the perversion of its own processes or aims.

A PLEA FOR DEMOCRACY

"Deeply imbedded in our legal and social history are the general doctrines of the rights of men. It is a manifest duty of Americans to protect these individual rights as the occasion demands. We must defend to the uttermost our ancient freedom—free speech and assembly and the right to worship as we will. We must defend life and liberty and what Jefferson called, 'the pursuit of happiness.' In modern terms this last phrase means the right to make a living through access to opportunity, to work and care for a family. This is a difficult thing to do in the modern world, but it is incumbent upon us to work at it—to bring it to pass. The validity and the perpetuation of the democratic way of life are bound up in a solution of this problem."

After setting forth some of the challenges facing the young voters who on that day assumed the obligations of citizenship, Dr. Dykstra concluded his address:

"Today the democratic way is challenged the world over. Millions—hundreds of millions—have turned their backs upon it. They are persuaded that it is easier to cast their burdens upon someone who will carry the load and give the orders. They have sacrificed their freedoms by so doing. You are a portion of the youth of America who will eventually decide whether our complex problems can be solved by a democratic process which preserves our freedoms.

"Democracy is the hard way—the difficult road.

"Today I commend to you the hard road. Your fathers have traveled it for centuries. Continue upon it, and keep it open. Millions still to be born have the right to be born free—you cannot sell their birthright for a mess of pottage.

"Today set out with courage and stout hearts. Sing your marching songs. Hold high the banner. Let freedom ring! Yes, let it ring—but also, *let freedom live and work.*"

Certificates of Citizenship, signed by various county officials and bearing the seal of the Board of Supervisors, were then presented to the new voters.

The president of the Twenty-One-Year-Old Voters, Jerome Mahlberg, speaking on behalf of the class of 1939, took as his subject, "We Accept the Challenge." From the vigorous, forthright method of his delivery, it was easy to see why the group had elected him as its president. He concluded his remarks by presenting on behalf of the young voters a newly designed flag of Manitowoc County.

ALL FAITHS PARTICIPATE

A feature of the program which brought out its nonsectarian character was the participation by religious leaders of various faiths. Invocation was pronounced by the Rt. Rev. Harwood Sturtevant, Bishop of the Protestant Episcopal Church. A prayer was offered by Rabbi David Shapiro of Green Bay, Wisconsin, while the benediction was pronounced by Dr. Raphael C. McCarthy, S.J., president of Marquette University, Milwaukee. Perhaps it was because these leaders spoke with such deep conviction upon matters concerning the political faith common to all American citizens that the audience was unexpectedly moved by their remarks, but in each case, their prayers were followed by vigorous applause —a circumstance new in the author's experience.

Comments from the press and citizens throughout the country are too numerous and extensive to include in this report. It is interesting to note, however, that enthusiastic endorsement and praise were given not only by President Roosevelt, members of his cabinet, and senators and representatives, but by educators, writers, cartoonists, film producers, and others whose influence is nationwide. As a further indication of the interest attached to the Manitowoc celebration, a part of the program was broadcast by N. B. C. over a nation-wide hookup, and one of the principal radio magazines devoted its leading article to a discussion of the significance of the event.

One aspect which impressed itself indelibly on those present was the remarkable quality of leadership in Manitowoc County exemplified by those who served on both the general and subcommittees. The activity presented an almost perfect cross-section of the county, uniting its citizens in a spontaneous community activity of deepest significance for Americanism, democracy, and peace.

The elimination of negative and derogatory references to adverse activities in the United States, such as Communism, Fascism, and Nazism, and the emphasis on *Americanism in action* afforded the most convincing answer to all foreign "isms." The celebration was a demonstration of American democracy in conception and method. A remarkable feature was the exclusion of political or partisan considerations and influences as well as personalities. Leading members of various parties, faiths, and civic organizations submerged their own interests and personalities in the common cause of American citizenship. Unlike most projects involving the action of entire counties, there was no antagonism between rural and urban residents.

The celebration was a fitting recognition of American youth in normal, constructive activity. It often happens that groups of young people working spontaneously like to have the limelight of publicity thrown on them because of pranks or foolishness. In this case, however, these young people were given full opportunity to express their conception of their place in the body politic and they were made the center of a new type of political activity. Not only did they perfect their own organization, but, through the local radio station, they helped in the county-wide education of both the new and the older voters.

The technique used in explaining the facts of government was notable for its simplicity and dramatic visualization as contrasted with the usual imponderable treatment of abstractions in governmental theory. Responsibility for individual initiative and action was placed upon all citizens, but especially upon the young voters. In a unique and new fashion the principles of patriotism were given practical, dramatic appeal in the floats, addresses, and methods of organization used throughout the project. The whole plan seems to open the door for future programs of education in governmental policies and procedures in all units from the township to the nation.

Contrary to the present trend of thought that counties as political units are becoming decadent and should be merged in larger groups, the demonstration of Manitowoc County indicated that there is a new job for county units in building up an appreciation for and a vital belief in the functions of local government.

Dr. Colbert, in summing up his conclusions as to the spiritual value of the celebration said:

"I had been impressed by the depth of the depression paralysis that had crept over community life, and was amazed to see how this project revived that dormant community spirit. This was, in fact, the first time the Manitowoc community had really had a full fledged demonstration of community spirit since the World War period. One of the prominent business men said to me prior to the celebration, when we were discussing the prospects of the weather for Sunday: 'Let's not worry so much about the weather. The real fruits of this year's work are already developed. I have personally gotten more out of it than any of these youngsters. I have met more people during the past three months than I have met in the last five years. I had not been aware how far I had crawled into my shell during this depression. I am indeed grateful that I have been brought to realize this fact, and have gotten a great satisfaction out of being put back into circulation!'

"Again, I had felt that the community could not help but benefit by starting our youngsters on programs of community life as early as they could receive their responsibilities. However, it remained for the county convention of the new voters to impress upon me the fact that we were here launching hundreds of young men and women into civic responsibility, whereas many of them might not otherwise have gotten started.

"Another feature which impressed me was that there were a few of the young men especially who were quite cynical about the prospects of democracy and of our economic and political future. This cynical attitude was largely the result of their being unable to comprehend a way of making their influence felt, or of expressing their problems. After going through the training program, it was apparent that their attitudes had changed from negative to positive."

Speaking of the value of a better understanding between the average citizen and his elected representatives, Dr. Colbert continued:

"I cannot speak too enthusiastically about the generous and helpful way in which all of the local officials cooperated. It was an inspiring sight to see the old county board members sitting among those youngsters, answering their questions, and thinking along with them. Frankly, they got as much out of the training program and the whole affair as any of the younger folks. At any rate, it was a demonstration of the relation which the citizen must have to his government. We have too long gone on the basis of electing a man to office and then assuming that everything that government does is wrong, wasteful, or corrupt. There must be a more fundamental citizen-participation not only at the polls, but in the actual operation of government."

PLANS FOR THE FUTURE

The Wisconsin state legislature, by passing a resolution endorsing the annual celebration of Citizenship Day, has given official recognition of its value in that state. More than thirty-eight counties in Wisconsin are planning to celebrate the day in 1940 and the general interest throughout the country has been such as to exhaust the printed matter published by the Extension Department of the university.

The Program Committee in Manitowoc is projecting a five-year plan for general subjects and parades in later years. For example, in one year the floats will represent significant events affecting American citizenship which transpired during the terms of each President of the United States. It has also suggested holding contests and offering prizes to groups of young voters for the best subjects for floats in subsequent years. In this connection, it is interesting to note that in the Manitowoc plan each graduating class will become responsible for the successful organization and training of the succeeding year's class.

It would be unwise to attempt to predict the future of this movement for Citizenship Day. Manitowoc County hopes and believes Citizenship Day will spread through the state and nation in 1940. It insists that the way to save democracy is to prove that democracy works. It offers Citizenship Day as a means of helping democracy work better by developing in the average citizen a deeper appreciation and understanding of what democracy really means.

MANAGING MINNESOTA

(Continued from Page 498)

year will be "blanketed in" under civil service automatically without examination under the terms of this act. Those added during the five years preceding August 1st must take a qualifying examination. Persons can be added to the payroll after August 1st only through competitive examination. It is hoped that by the middle of next year, the system will be in full operation. The day of the spoils system in dispensing state jobs is ended, forced collections from state employees for political purposes stand outlawed. Employees in the future will gain and hold their positions on merit.

With the improvement in personnel that will result from this policy and the advantages in administration that will come from the reorganization of state departments, we are going forward in Minnesota, I confidently believe, to a newer and better type of state government.

Legislative Highlights of 1939

By **HUBERT R. GALLAGHER**, *The Council of State Governments*

Recent sessions distinguished by what they did not do rather than by what they did; administrative reorganization, finance and taxation, public welfare and health, labor, among important questions debated.

THE adjournment of thirty of the forty-four state legislatures which met this year permits a summary review of the legislative product of 1939. With eighteen Republican governors in office and with Republican majorities controlling the legislatures of half the states in session this year, it was early apparent that legislators would face the usual dilemma of incoming administrations: the necessity for simultaneous enactment of economy measures and of provisions to take care of political adherents.

Following the age-old political formula, no time was lost in shifting functions and reorganizing bureaus to make room for deserving and frequently well qualified party workers. Thus, in the onrush for patronage, administration suffered and civil service reform in general was temporarily set back. A number of state planning boards were also attacked by this political virus, and their lives were snuffed out almost before they had cut teeth. However, a wave of "ripper" legislation is always to be expected following an overturn election such as the country experienced last November.

Somewhat unexpected, however, were the scandals with which both Democratic and Republican legislatures had to contend. The misdoings of Democratic state and local officials in Missouri, Pennsylvania, and New York, and Republican scandals in California and Michigan were on the minds of the legislators of these states. An unusual number of examples of official malfeasance were also brought to the attention of legislatures in Colorado, Connecticut, Florida, Georgia, Minnesota, Montana, and Ohio. Legislators themselves were ensnared by some of these investigations. On the credit side, the rapidity and thoroughness with which these exposés were made and the official house-cleanings which followed attest to the fact that public officials and legislators are constantly improving in quality and in character.

These, however, were the happenings which occupied the headlines. The legislators' emotion over official corruption and their usual desire for party preference were soon overshadowed by problems of reorganization, pensions, labor, education, and, of course, finance.

Labor got little and education met with some reverses when the legislative box score was added up. Business interests and farm groups which

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AUTHOR'S NOTE.—It is manifestly impossible to enumerate or describe in detail all or any considerable part of the legislation passed during the present sessions. In a number of states whose legislatures have adjourned, the governors may yet veto measures passed by their legislatures. This article then hits only the highlights and in a general fashion indicates how the legislatures dealt with important issues facing them. The reader is warned that it is too early to describe accurately and completely the legislative product of the past sessions.

had backed the Republican ticket in the large industrial and farming states on the strength of campaign promises that taxes and expenditures would be reduced were rewarded by savings estimated to amount to $100,000,000 in some twenty states. There is no question but that before the change in administrations there was waste and extravagance in many of the states. Ohio and Pennsylvania come to mind as examples of states whose finances were left in shambles by outgoing administrations. In other states where savings reputedly have been made, the test will come in making them stick. For example, as a result of legislative oversights of the present session, Michigan will be on emergency rations, and a special session will undoubtedly be needed to stave off bankruptcy. The New York Court of Appeals has held unconstitutional the budget of the Republican legislature which substituted lump-sum appropriations for line items in cutting $25,000,000 from the Governor's $415,000,000 budget. An extra session has just convened, and the Republicans will be forced to find other ways to cut the budget, or to enact the party-splitting sales tax as an alternative.

Many of the state administrations, both Republican and Democratic, have not been adverse to pulling the same budget-balancing tricks that critics of the New Deal accuse it of doing. Thus, although a budget may be balanced when the session adjourns, it is not unusual to find a legislature continuing past deficits by enacting the executive budget or a general appropriation bill but failing to assess the necessary taxes to balance.

FEW NEW TAXES

In a majority of the states where legislatures have adjourned, governors and legislators ran on a pledge of "no new taxes." At the risk of leaving some budgets unbalanced, legislators assessed relatively few new taxes. A cigarette tax of two cents a pack was levied in New York and Rhode Island, which brings to twenty-three the number of states assessing this type of tax. The imposition of a 2 per cent use tax was approved in Alabama, New Mexico, and North Dakota; a 3 per cent tax was assessed in South Dakota and North Carolina; and in Alabama a use tax was substituted for the present sales levy. Liquor taxes were raised in Arkansas, Delaware, Indiana, Maryland, Montana, New Mexico, New York, North Carolina, North Dakota, Tennessee, Vermont, and Washington. North Dakota increased the gas tax one cent and levied a transaction tax on intoxicating beverages. South Dakota levied a tax on chain stores ranging from $1 to $150. California and Illinois codified their property tax laws. A classified income tax was enacted in Maryland, and taxes on corporate incomes went up from one-half to one and one-half per cent. New diesel fuel taxes appeared in Nevada and Oklahoma.

These are some of the more important tax changes of the year. There were, of course, hundreds of minor amendments to the various state tax laws. Many of the states solved their tax problems temporarily by doing as Pennsylvania did, reenacting the entire tax program of the previous biennium, thus placing the blame on former colleagues and administrations.

ADMINISTRATIVE REORGANIZATION

If a time record were kept, it would probably show that as much attention was given to the work of reshuffling bureaus and the consideration of reorganization plans as was devoted to the far more important problems of finance and taxation. Many of these plans effected an integration of the state government and directly resulted, and rightfully so, in placing more power in the hands of the governor. These administrative improvements were hailed far and wide as great accomplishments of a number of "favorite son" candidates for 1940 by the same partisan papers that charged dictatorship and Communism a few months previously when the President's Committee on Administrative Management recommended similar principles in its plans to reorganize the federal government.

The Rhode Island legislature passed Governor Vanderbilt's plan for reorganization of the state government, abolishing entirely the present structure of administrative "divisions" and making broad reallocations of departmental functions, thus saving $1,000,000 annually in state operating expenses. The act vests sweeping powers in the Governor and in the department directors to set up any subdivisions or administrative units within the major departments which may be necessary. The principal section of the administrative act as passed set up an integrated Department of Coördination and Finance to supervise all of the fiscal functions of the state, including budget preparation and control, centralized purchasing, tax administration, accounting, and control of changes in personnel. Other sections of the act established a Legislative Council[1] and a Commission on Interstate Coöperation.

An estimated $500,000 saving a year was predicted in Iowa as a result of its reorganization and consolidation program. Under the new State Department of Public Safety were placed the motor vehicle department, the highway patrol licensing and registration division, and numerous investigative and police units of the state. Legislative budgeting of the State Highway Commission expenditures was also authorized. The former Board of Assessment and Review was changed to the State Tax Commission, and the collection of all taxes was centered in the commission. Altogether, the legislature considered sixty-six reorganization bills, passed fifty-one, killed one, incorporated three in other bills, and allowed eleven to die.

Centralized budget control was established in Maryland through the creation of a Department of Budget and Procurement. This change also resulted in the abolishment of the purchasing agent. A Legislative Council of fifteen members, fourteen of them legislators, was established. Maryland legislators ended the old coroner system through the substitution of medical examiners, and in addition replaced the Parole Commission with a board and reorganized the People's Court in Baltimore. Abolished also were the office of loan commissioner, the Department of Mechanical Engineering, the State Veterans' Commission, and the fee system for justices of the peace.

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[1] As yet inoperative since minority members have refused to accept appointment.

KANSAS SHUFFLES DEPARTMENTS

Kansas also enacted legislation to reorganize departments and commissions of the state government. The Fish and Game Commission was recreated on strictly nonpartisan lines, and a merit system for that agency was installed. The Board of Regents was recreated along bipartisan lines and, as in Iowa, a full-time Board of Social Welfare was established to take the place of a larger part-time board. The Motor Vehicle Commission was abolished and its duties transferred to the Highway Commission. A new Department of Revenue and Taxation was created in which are consolidated all the tax-collecting agencies of the state. A Board of Administration was established to control penal institutions and to supervise parole and probation in the state. An Industrial Development Commission was set up for the purpose of encouraging industry to move to Kansas. Meanwhile the Pennsylvania legislature established a Department of Commerce and Industry with an $800,000 appropriation to entice business back to the Keystone State.

The Bureau of Criminal Identification and the State Travel and Tourist Bureau were abolished in Oklahoma. The state Planning and Resources Board was reorganized, and the number of commissioners reduced from nine to five. The State Tax Commission was revamped, as was the State Industrial Commission and the State Highway Commission. Legislation was also adopted consolidating the state legal staffs in the office of the attorney general, and a bill was enacted setting up a preaudit system for disbursing state funds, requiring contracts and claims to be approved by the state auditor before becoming legal, and prohibiting the expenditure of more funds than appropriated. A Legislative Council composed of fifteen representatives and ten senators was established as the research arm of the legislature.

Despite the fact that reorganization of state government in Colorado was the most discussed topic before the session, Republican administration bills for creating a more compact administrative structure died in the Democratic Senate. A proposed revision of the fiscal code also failed.

In Wyoming the Governor's recommendations for reorganization of the state Game and Fish Departments, and for the consolidation of the positions of purchasing agent and secretary of the Charities and Reform Board were approved, as well as his suggested consolidation of the State Planning and Water Conservation Boards.

The State Department of Finance was abolished in Vermont and its work transferred to the office of the treasurer and auditor. The State Board of Conservation was given regulatory powers for the protection of fish and game, and a new Department of Industrial Relations was established.

The Idaho legislature revised the liquor control act, placing enforcement definitely in counties. The Departments of Public Welfare and Public Assistance were consolidated and placed under a non-political five-man board. A State Insurance Fund Commission was established, as was a state police force. Various bureaus and departments were placed on budgets, and the duties of the state purchasing agent were redefined.

The Governor was given more authority over the State Highway Department in Arizona when the former Highway Commission was abolished. Arizona also unified and integrated the budget and expenditure system of the state.

Tennessee passed legislation enabling impoverished counties to consolidate, creating a Conservation Commission and authorizing the Department of Conservation to fight stream pollution.

COUNTY AMENDMENT

North Dakota approved a constitutional amendment giving the legislature power to establish machinery for the consolidation and dissolution of counties, and also to provide optional forms of government for counties. The amendment will be submitted to the voters at the next general election.

Minor administrative consolidations were affected in Arizona, Alabama, Arkansas, Georgia, Indiana, Maine, Montana, Oregon, Pennsylvania, and South Dakota.

To date seventeen states have civil service laws in effect. There were four new additions this year—Alabama, Minnesota, New Mexico, and Rhode Island. The legislatures of these states passed bills establishing civil service in their states. In Rhode Island especially, where the Public Administration Service carried through a complete reorganization of the state government, a strong civil service provision was included in the new administrative act. As a result of this law, some 85 per cent of state employees will be chosen from the new civil service rolls. The principal setback of the year occurred in Arkansas, where the legislature repealed its civil service law. Another setback was experienced in Michigan where the civil service administration was reorganized and the number of employees in the classified service was reduced from 15,000 to 7,000. The Massachusetts civil service system was reorganized as a result of recent legislation. A part-time five-member commission and a personnel director will supplant the former three-member salaried commission with its chairman-administrator. Other changes in civil service, but relatively unimportant, were made in Colorado, Idaho, Ohio, and Tennessee. Governor Herbert R. O'Conor of Maryland courageously vetoed a measure substituting a three-member commission and director of personnel for the present commissioner of employment and registration, who had ably administered the state's merit system.

WELFARE PROBLEMS

The election campaigns of last fall and the constitutional amendments before the voters then clearly indicated that pensions and other welfare problems would continue to claim the attention of the legislators when they convened in January. This prophecy was borne out, according to the American Public Welfare Association, by the introduction of over seven hundred old-age assistance bills, seeking mainly to liberalize aid for the aged. A few of them passed, and these few provided generally for amendments to redefine eligibility for aid, and occasionally to broaden coverage. In a number of states, bills asking an increase in pensions precipitated fights between the governor and the legislature. The scrap in Texas still continues and has delayed adjournment of the legislature in that state for a number of weeks. Many of the states tightened their laws by changing the concept of old-age pensions from a "right" to one that pensions should be paid only to those actually in need. Few states earmarked taxes to finance old-age assistance, generally preferring to take these moneys from their general funds. Exceptions to this are Utah, where all sales tax revenues, and Oklahoma and Wyoming, where consumers' taxes, are earmarked for old-age assistance. Iowa will henceforth draw on her income, corporate, and sales tax revenues to finance an increase in old-age assistance funds from $5,500,000 to $7,000,000. In Maine a law was enacted requiring municipalities to share costs of old-age assistance. Cities and towns would receive $800,000 in state highway funds to reimburse them for funds contributed to old-age assistance.

Considerable unemployment compensation legislation has been passed to conform to recommendations of the Advisory Council on Social Security of the Social Security Board. These changes will be reported at a later date by the American Public Welfare Association.

Progress continued to be made in approving the pattern for administrative organization of the state welfare departments. Important changes aimed at integrating and otherwise improving administration were made in Arkansas, Iowa, Kansas, Minnesota, Oregon, Tennessee, and Washington.

LABOR GETS LITTLE

So disappointing were the legislative sessions to all factions of labor that it is predicted that in 1940 the A. F. of L. will forget its quarrel with the New Deal and the C. I. O. and vote the straight Democratic ticket. Reverses suffered by labor were many; for instance, legislation regulating lockouts and picketing and facilitating the settlement of industrial disputes was approved in Michigan, Minnesota, Ohio, Pennsylvania, Rhode Island, and Wisconsin.

Pennsylvania relaxed the anti-injunction laws to permit courts to issue injunctions in labor disputes under certain conditions. The legislature drastically amended the "Little Wagner Act" of 1937 by giving employers the right to appeal for elections in labor disputes, outlawing sitdown strikes, and redefining unfair labor practices.

In West Virginia labor also got little. The miners certification bill for the purpose of insuring union control of a miner was so emasculated that it will be of little value to the organizers of labor. Legislation establishing a state Labor Relations Board, an anti-injunction bill, and another measure providing for wages and hours regulation failed of passage. Similar measures failed in Wyoming and a number of other states.

Even the combined backing of the A. F. of L., the C. I. O., and other labor forces failed to bring the enactment in Colorado of such measures as a state wages and hours act, a Little Wagner bill, and a bill liberalizing unemployment compensation.

Comment in a leading southern paper in some respects tells what happened throughout the land, for according to the Raleigh, North Carolina, *News and Observer,* "the General Assembly of 1939 established the neat record of having devoted more consideration through its committees on labor to labor legislation than any of its predecessors and yet being the first legislature in many years not to pass a single law in the interest of labor."

Agricultural interests also gained little at the hands of those legislatures which have adjourned. In the past the agricultural block has usually been even more potent than the number of farmers seated in the legislatures would warrant.[2]

Possibly legislators were following the lead of one midwestern governor who, in washing his hands of the state's agricultural problem, quite accurately said that it was a national and international problem and therefore beyond his control. In any event, with the exception of the passage of soil conservation laws and amendments to former conservation statutes in Iowa, Montana, Vermont, and a few other states, little was done. The Oregon legislature did, however, devote considerable time to the work of recodifying its agricultural laws. The establishment of state forests and state acquisition of cut-over lands in that state was also authorized by the legislature. In the state of Washington the legislature approved legislation regulating commission merchants and setting up a licensing system for buyers of agricultural products.

The problem of milk control continued to harass legislators in milkshed states serving New York, Chicago, and Boston. The recent Supreme Court case upholding the federal milk marketing law came along just in time to relieve the state legislators of many of their worries.

PUBLIC HEALTH MEASURES

In the public health field, the legislatures of Iowa, Maine, New Hampshire, New Mexico, Ohio, Rhode Island, and Vermont passed special enabling acts permitting non-profit hospital service plans under regulation of their insurance departments. Legislation permitting group (coöperative) medical and dental care was approved in Utah.

Laws requiring premarital blood tests were approved in Colorado, Indiana, North Carolina, Pennsylvania,

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[2] Personnel figures compiled by the Council of State Governments show that 25 per cent of the country's lawmakers are farmers.

South Dakota, and West Virginia; and prenatal blood tests of prospective mothers were authorized in Iowa, Colorado, Oklahoma, and South Dakota. In Oklahoma the examination can be made only on request—a compromise measure.

Tennessee went even further when the legislature passed a law (not to become effective until another General Assembly has met) requiring examinations for all communicable social diseases before issuance of a marriage license.

LAW ENFORCEMENT

Legislative changes having to do with law enforcement were relatively unimportant. Among them were the following:

West Virginia created a model system of parole and probation with a full-time director and staff, provided for indeterminate sentences for felonies, and streamlined the state's minor judiciary. A drastic slot machine law was enacted in Oklahoma providing for the removal of county officials where slot machines and other gambling devices operate openly for a considerable length of time. North Dakota passed acts providing that the attorney general act as prosecutor when the governor orders the removal of an officer, defining burglary in the third degree to include breaking into a motor vehicle or trailer, and increasing the fine on conviction for engaging in marijuana traffic. Utah hereafter will require branding of livestock and has established regulations to combat rustling. West Virginia made participation in a "numbers lottery" a felony, including a provision in the law that possession of a "numbers" slip shall be considered prima facie evidence of such participation. Old blue laws were wiped off the books in Arkansas, Tennessee, and Maine with the legalization of Sunday motion pictures.

Knowing the good thing they had, legislators in Nevada increased the "take" from pari-mutuel machines at horse races from 10 to 12 per cent. Track operators were appeased, however, by the repealing of an act prohibiting racing on Sunday. Legalization of horse racing in Wyoming failed, but in New York the legislature authorized a vote on a constitutional amendment permitting pari-mutuel betting on horse races.

LEGISLATIVE ODDITIES

Nevada passed legislation requiring employers who collect the tips given by patrons to employees to post notices to that effect.

A proposed constitutional amendment was suggested in Oklahoma which would permit women to run for governor and other elective offices.

A bonus of $25,000 was voted for the first producer of an Iowa oil well.

South Dakota provided for reimbursement to holders of 1937 elk hunting permits *who did not secure an elk.*

Legislation authorizing a popular vote on pari-mutuel betting had previously been passed by the New Jersey legislature. Nineteen states at present legally permit pari-mutuel betting at race tracks.

On the negative side, the fate of the following proposals should be noted:

State planning boards were abolished in Minnesota, North Dakota, Ohio, Oregon, South Dakota, and Texas. All proposals for the extension of civil service died in Iowa, North Dakota, Oregon, and South Dakota. State civil service was repealed outright in Arkansas.

In Maine a state lottery, pari-mutuel dog racing, and a $30-a-week-for-life pension plan, as well as a memorial to Congress on behalf of the proposed Townsend plan legislation, failed of passage.

Iowa, New York, and Oregon killed bills to establish legislative councils.

The administration was defeated in Pennsylvania with regard to milk control and revision of the state's liquor and beer system. The latter battle was won by the brewing interests. Another major bill killed was home rule legislation giving the cities the right to choose their own form of government. Optional charters for Philadelphia and Pittsburgh were also defeated.

The Pennsylvania Senate also killed enabling legislation permitting compacts for the abatement of pollution of the Ohio, Potomac, and Delaware Rivers. Failure to secure passage of these compacts was credited largely to an adverse report by the Department of Health which had, strangely enough, assisted in their drafting, and to the reluctance of industries abutting on the rivers to incur the expense of proper treatment of their waste products.

Tennessee rejected proposals to permit horse racing and pari-mutuel betting and declined to repeal the law prohibiting teaching of the theory of evolution in state-supported schools.

From personal observation in ten states and from reports from others, certain notable improvements in the legislatures were apparent. First, the state legislator of 1939 was generally an earnest, sincere, hardworking official who approached the state's multifarious problems with less emotion and more intelligence than in the past. There were more bills introduced and fewer enacted, if we are to judge by reports from twenty-three states indicating that 25,142 bills were introduced and 7,743 laws enacted, as compared with 24,615 bills introduced and 8,275 laws enacted for the same states in 1937. It seems evident that it was more difficult to get measures enacted than at previous sessions and that probably more time and consideration were given to important measures. Second, well financed, professional lobbyists were not so much in evidence as at former sessions, nor, with the exception of Massachusetts and New York, were mass movements of large pressure groups, such as pensioners, union sympathizers, taxpayers, or teachers, in evidence in such droves as they were at previous sessions.

In general and with some notable

(Continued on Page 566)

Ohio Tends Her Tax-Limited Localities

By **CARLTON S. DARGUSCH**, *Tax Consultant,*
Senate Taxation Committee, 1939 Ohio Legislature
and
JOHN N. HART, *Ohio State Department of Taxation*

Cities steadily decrease debt burdens, but stringent tax limitation places them in need of state aid for support of schools, poor relief, and other vital functions.

OHIO has a total of 864 municipalities of which 110 are cities with a population of 5,000 or over as of the 1930 federal census. It need hardly be pointed out that Ohio is somewhat unique with regard to the number of cities within her borders in relationship to population. Out of these 110 cities twenty-three had a population in excess of 30,000 and eight in excess of 100,000. Massachusetts, with her nine cities, is the only other state that has more cities than Ohio with a population of 100,000.

Approximately 40 per cent of Ohio's population is concentrated in these eight large cities, 64 per cent in the 110 cities, and 75 per cent in cities and villages. Property tax rates in the cities are generally above the state average: it is an accepted fact that government costs more in urban communities than it does in rural areas.

Ohio's experience with tax limitation has been studied and written about for a number of years.[1] Our present tax limitation, which is ten mills, was written into the state constitution at the election in 1933 and took effect January 1, 1934. It did not affect the collection of revenues, however, prior to the year 1935. Thus the state has had five years of experience under this limitation and it is with these five years that this article will be concerned primarily.

The authors would like to make it clear that they are not in sympathy with tax limitation by constitutional amendment, first from the point of view of legislating through the constitution and second as a method of controlling public expenditure. This does not mean, however, that all of the effects of tax limitation in Ohio have been bad.

The effect of the ten-mill limitation in Ohio as far as the financing of local government is concerned has been to increase to a marked degree the levy of state taxes for local purposes, including poor relief. After the adoption of the ten-mill limitation in 1933 the state was compelled to embark upon a reorganization of the tax system. To this end excise taxes were enacted or re-enacted, including sales, use, beer, malt, admissions, public utility, cigarette, and liquid fuel taxes. Without question, tax limitation in Ohio has tended to centralize government and to shift the responsibility for financing local government to the state.

There has been a marked tendency in Ohio in the past two decades to transfer to the state the financing of what historically have been locally financed functions and this change was accelerated by the ten-mill limitation. This tendency was first marked by the passage of the gasoline tax in 1925, which made possible the financing of road improvements and their maintenance out of excise taxes rather than real property taxes and assessments. The next marked change occurred in 1933 when the legislature diverted one cent of the gasoline tax for public school purposes under the guise of a liquid fuel tax. This was quickly followed by the enactment of other excise taxes, including the sales tax, which now contribute very substantial amounts for poor relief, schools, and general functions of local government. Table I gives the amount of state-collected taxes distributed back to local governments.

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[1] George L. Leffler and G. Burman Curry, *Ohio Cities Battle the Depression*, NATIONAL MUNICIPAL REVIEW, July 1935.

The state of Ohio does not levy taxes upon tangible property for the support of state government as the state is supported almost entirely through the levy of excise taxes.

At the outset of the ten-mill limitation it appeared that under the decisions of the Supreme Court of Ohio subdivisions would be substantially hampered in their activities by reason of the decision in the Portsmouth case[2] in which the Supreme Court held that all indebtedness, including items which were serviced from other sources than general taxation, was to be considered in determining the ability of a subdivision to incur indebtedness. This had the effect, among other things, of requiring the inclusion of special assessment and municipal public utility bonds and substantially restricted the issuance of bonds for a time.

TABLE I

STATE-COLLECTED LOCALLY-SHARED TAXES AND LICENSES, OHIO, 1938

(In thousands of dollars)

Tax	*Net Collections*	*Distribution* *State*	*Local Governments*
Retail sales	$39,112	$ 8,312	$30,800
Gasoline excise	36,024	20,263	15,761
Motor vehicle license	23,935	7,634	16,301
Liquid fuel excise	12,641	53	12,588
Cigarette excise	7,049	239	6,810
State situs intangibles	6,298	252	6,046
Public utility excise	5,847	3,564	2,283
Beer and liquor permits	5,701	—	5,701
Admissions	1,602	—	1,602
Bottled beer (3.2%)	958	—	958
Use	735	—	735
Motor transportation	469	329	140
Malt and wort	35	—	35
TOTAL	140,406	40,646	99,760
Per cent of Total	100.00	28.95	71.05

Source: Department of Taxation, Research Division

By a number of recent decisions[3]

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[2] *State ex rel. Portsmouth* v. *Kountz, mayor et al.*, 129 O. S. 272 (1935).

[3] *State ex rel. Ohio National Bank of Columbus* v. *City of Parma et al.*, 130 O. S. 396 (1936); *State ex rel. The Alden Corporation* v. *Village of Solon et al.*, 132 O. S. 362 (1937); *State ex rel. Ohio Na-*

the Supreme Court has held that a bondholder owning bonds issued prior to the effective date of the tax limitation amendment may require the levy of taxes at the rates permitted at the time the bonds were issued. For example, in the Hudson case the court held that the constitutional tax limitation is directed against new and not pre-existing debts. The decisions quoted have relieved subdivisions somewhat by permitting the levy of taxes outside of the limitation for pre-existing indebtedness.

The position of local governments in Ohio would be improved if article XII, section 2, of the Ohio constitution (ten-mill limitation) were amended so as to provide that the entire ten mills shall be available for current operating purposes by placing outside of the limitation all existing debt levies and with the provision that no future debt may be placed inside the ten-mill limitation except in emergencies such as occasioned by catastrophe and then only upon advice and consent of the State Department of Taxation.

REFUNDING NECESSARY

Another marked result of the ten-mill limitation has been the general policy of refunding maturing indebtedness for the purpose of freeing millage for operating purposes. This has occurred in the past four years on a widespread scale throughout the entire state. Such refunding has taken place under the provisions of the general code which now provide that a subdivision may refund its maturing indebtedness any time before December 31, 1940, where no other means of payment exist.[4] This practice was sustained by the Supreme Court of Ohio in the Stauss and Wellston cases.[5] In the Wellston case it was held that a city could refund existing obligations issued outside of the ten-mill limitation and levy taxes therefor outside of said limitation.

While the financial condition of municipalities has improved immeasurably in Ohio in the last few years, poor relief requirements still remain one of the principal municipal and township burdens. Under the laws of Ohio the responsibility for poor relief until recently has been placed largely upon municipalities and townships.[6] Under the poor relief administration act,[7] however, passed by the General Assembly in June, the responsibility for poor relief administration has been vested in the county commissioners outside of cities and in city officials within the corporate limits of cities. Under the new poor relief law, local authorities will make poor relief expenditures and be reimbursed by the state for such expenditures within the limits of state appropriations and not exceeding 50 per cent of local expenditures. Recognizing the partial inability of local subdivisions to raise poor relief moneys, three measures have been enacted by

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tional Bank of Columbus v. *Village of Hudson et al.*, 134 O. S. 150 (1938).

[4] The Ninety-third General Assembly, 1939, Senate bill 20.

[5] *State ex rel. Stauss* v. *County of Cuyahoga et al.*, 130 O. S. 64 (1935). *State ex rel. Industrial Commission of Ohio* v. *Steel, mayor*, 1930 O. S. 90 (1935).

[6] Section 3476 of the General Code of Ohio.

[7] The Ninety-third General Assembly, 1939, House bill 675.

the current General Assembly:

1. The state appropriation bill[8] provides for the appropriation of $10,000,000 of state general funds for the reimbursement of local subdivisions for poor relief expenditures in each of the years 1939 and 1940.

FUNDS FOR POOR RELIEF

2. In order to provide local moneys for poor relief purposes, two bills have been enacted: (a) Senate bill 40, permitting the borrowing of 25 per cent of motor vehicle license tax revenues for 1939 and 1940 for poor relief purposes and 10 per cent of the city portion only for payment of salaries of traffic officers. The gross poor relief funds available under this act in each of said years will be approximately $4,250,000. (b) The enactment of legislation[9] reducing the voting requirement for poor relief levies to a majority vote in 1939 and 55 per cent in 1940. This legislation is applicable only to cities and the levy cannot exceed one and one-half mills.

Temporary relief was secured this year for municipal corporations incurring deficits in general funds or for relief purposes by the passage of the Milroy act[10] which permitted the funding of such deficits to and including December 31, 1938, by the issuance of bonds within the ten-mill limitation. The legislation in question was passed primarily for the benefit of Toledo, and supplements the laws[11] permitting the issuance of deficiency bonds against delinquent taxes.

The state school foundation program became effective in 1936.[12] It provides for the contribution by the state to school districts of flat amounts of $30.60 per year for elementary pupils and $45.90 per year for high school pupils, with certain provisions for equalization and the payment of tuition and transportation costs. This law has meant that the state now contributes to the financing of local schools approximately $50,000,000 a year against a total distribution of state-collected taxes in 1933 of approximately $6,351,000 and has reduced to a marked extent the requirements of schools from local tax sources.

TAX RATES

Table II gives the total tax rates inside and outside the limitation for municipal purposes only in the eight large cities and selected other cities with a population of 30,000 in Ohio in 1933 and 1938. These 1933 rates upon which taxes were collected in 1934 were those in effect the last year of the fifteen-mill limitation. The 1938 rates, of course, are the current rates under which taxes are being collected in 1939. It will be noted from this table that in many cities the total rates for municipal purposes are just about as high, and in some cases even higher, than they were in 1933.

Table III gives the same information for school purposes. These rates are generally lower than they were in 1933 but this is due primarily to

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[8] Ninety-third General Assembly, 1939, House bill 674.

[9] Senate bill 4.

[10] Senate bill 73.

[11] Sections 2293-43 and 2293-43a of the General Code of Ohio.

[12] Sections 7595-1 et seq. of the General Code of Ohio.

TABLE II

TOTAL TAX RATES INSIDE AND OUTSIDE THE LIMITATION FOR MUNICIPAL PURPOSES ONLY, SELECTED CITIES, OHIO, 1933 AND 1938

(Rate per $1,000 of assessed valuation)

	1933			1938		
City	*Current*	*Debt*	*Total*	*Current*	*Debt*	*Total*
Cleveland	$ 4.52	$ 7.74	$12.26	$10.37	$ 4.97	$15.34
Cincinnati	6.35	3.57	9.92	2.80	6.59	9.39
Toledo	4.14	7.22	11.36	2.30	5.77	8.07
Columbus	2.18	5.47	7.65	1.16	5.64	6.80
Akron	3.55	8.63	12.18	5.81	8.57	14.38
Dayton	3.89	7.69	11.58	4.19	5.34	9.53
Youngstown	2.52	5.93	8.45	3.64	4.30	7.94
Canton	2.89	3.39	6.28	2.74	1.76	4.50
Springfield	3.40	4.67	8.07	2.98	5.39	8.37
Hamilton	3.39	6.20	9.59	2.09	5.53	7.62
Lorain	5.17	3.93	9.10	3.37	2.43	5.80
Portsmouth	4.53	5.04	9.57	3.92	4.30	8.22
Lima	3.00	8.20	11.20	2.83	7.17	10.00
Warren	—	4.78	4.78	1.50	4.20	5.70
Zanesville	4.00	2.90	6.90	3.15	2.35	5.50
Steubenville	4.05	.80	4.85	3.76	.74	4.50
Mansfield	4.10	2.10	6.20	3.17	1.70	4.87
Marion	4.52	5.22	9.74	3.88	3.54	7.42
Newark	3.34	3.83	7.17	3.25	1.84	5.09

Source: Department of Taxation, Research Division

TABLE III

TOTAL TAX RATES INSIDE AND OUTSIDE THE LIMITATION FOR SCHOOL DISTRICTS ONLY, SELECTED CITIES, OHIO, 1933 AND 1938

(Rate per $1,000 of assessed valuation)

	1933			1938		
City	*Current*	*Debt*	*Total*	*Current*	*Debt*	*Total*
Cleveland	$ 8.85	$ 2.97	$11.82	$ 8.16	$ 1.84	$10.00
Cincinnati	6.37	1.49	7.86	6.09	1.21	7.30
Toledo	7.05	3.13	10.18	5.41	3.04	8.45
Columbus	5.85	1.20	7.05	6.13	2.17	8.30
Akron	8.16	4.42	12.58	8.02	3.62	11.64
Dayton	6.86	2.44	9.30	4.34	2.84	7.18
Youngstown	8.45	1.96	10.41	3.69	4.64	8.33
Canton	7.90	4.32	12.22	5.85	3.05	8.90
Springfield	6.95	2.15	9.10	5.60	2.10	7.70
Hamilton	5.73	2.58	8.31	4.27	2.34	6.61
Lorain	6.38	2.32	8.70	4.94	1.23	6.17
Portsmouth	6.53	3.36	9.89	2.19	7.20	9.39
Lima	7.73	1.27	9.00	5.93	1.77	7.70
Warren	6.55	4.70	11.25	5.80	2.80	8.60
Zanesville	7.80	2.10	9.90	7.45	2.25	9.70
Steubenville	9.05	1.85	10.90	6.30	1.10	7.40
Mansfield	7.85	2.60	10.45	5.80	1.60	7.40
Marion	7.31	3.94	11.25	5.00	3.54	8.54
Newark	7.45	3.25	10.70	6.14	2.91	9.05

Source: Department of Taxation, Research Division

TABLE IV

TAXES LEVIED ON ALL TANGIBLE PROPERTY FOR SCHOOL AND MUNICIPAL PURPOSES, SELECTED CITIES, OHIO, 1933 AND 1938

(In thousands of dollars)

	School Levies		Municipal Levies	
City	*1933*	*1938*	*1933*	*1938*
Cleveland	$14,107	$12,115	$14,570	$18,262
Cincinnati	6,485	6,082	8,195	7,873
Toledo	4,046	3,696	4,517	3,552
Columbus	2,439	3,004	2,593	2,472
Akron	3,311	3,186	3,200	3,920
Dayton	2,735	2,163	3,349	2,887
Youngstown	2,847	2,194	2,306	2,101
Canton	1,574	1,317	812	672
Total of 8 large cities	37,544	33,757	39,542	41,739
Springfield	712	671	632	703
Hamilton	532	436	611	503
Lorain	637	416	647	386
Portsmouth	490	465	473	406
Lima	439	397	543	516
Warren	560	472	241	314
Zanesville	361	344	253	186
Steubenville	541	389	244	235
Mansfield	481	406	288	265
Marion	367	288	314	264
Newark	302	291	206	165
Total of 11 other cities	5,422	4,575	4,452	3,943
GRAND TOTAL	42,966	38,332	43,994	45,682

Source: Department of Taxation, Research Division

the foundation program which has been discussed.

PROPERTY TAX LEVIES

Table IV gives the tax levies on all tangible property, which includes real, public utility, and tangible personalty, for school and municipal purposes for 1933 and 1938. The levy for schools was lower in 1938 than in 1933 both for the eight large cities and for all the cities given in total. On the other hand the levy for municipal purposes for the eight large cities increased from $39,500,000 to $41,750,000 in 1938 and the taxes for all the cities listed increased from $44,000,000 to over $45,500,000 in 1938.

Table V gives a more complete picture for the revenue of all munici-

TABLE V

TOTAL REVENUE OF MUNICIPALITIES, OHIO, BIENNIALLY, 1926-1936

(In thousands of dollars)

Year	*Amount*
1926	$138,665
1928	175,655
1930	176,380
1932	144,090
1934	131,718
1936	160,091

Source: Department of Taxation, Research Division palities in Ohio biennially from 1926 to 1936. It is significant that while revenues dropped from the high of $176,000,000 in 1930 to $132,000,000 in 1934, they had increased to $160,000,000 in 1936 and were considerably higher than this in 1937 and 1938.

INDEBTEDNESS

Table VI gives the aggregate amount of funded and unfunded gross debt for the Ohio cities for 1930 and annually from 1934 to 1938. Table VII gives the same type of information for city school districts. It should be pointed out that these data represent gross debt although Ohio has had serial bonds since 1922 and sinking fund balances are not particularly large in Ohio. (For information on the gross and net bonded debt of these cities see the NATIONAL MUNICIPAL REVIEW for June 1939.) These data also include unfunded debt as represented by bills payable and deficits such as those for poor relief. The figures are comparable for the years given and present the significant picture that in the case of cities and city school districts the amount of debt has decreased during the

TABLE VI

CITY DEBT: AGGREGATE AMOUNT OF FUNDED AND UNFUNDED DEBT FOR SELECTED CITIES, OHIO, AS OF DECEMBER 31, 1930, AND ANNUALLY 1934-1938

(In thousands of dollars)

City	*1930*	*1934*	*1935*	*1936*	*1937*	*1938*
Cleveland	$127,360	$120,732	$116,940	$112,251	$110,810	$113,472
Cincinnati	105,580	94,630	90,752	89,742	81,076	79,863
Toledo	34,554	27,443	27,613	26,672	25,650	29,271
Columbus	42,076	33,902	34,764	32,981	31,172	30,221
Akron	45,314	39,918	39,874	37,949	36,404	36,283
Dayton	17,598	15,432	14,832	13,923	13,142	12,357
Youngstown	7,749	7,213	7,417	8,489	8,011	10,384
Canton	10,111	7,211	6,420	6,179	5,511	5,040
Total of 8 large cities	390,342	346,481	338,612	328,186	311,776	316,891
Springfield	5,073	5,485	5,008	4,568	4,274	4,096
Hamilton	3,386	2,925	2,859	2,696	2,572	2,409
Lorain	3,027	2,150	1,858	1,697	1,468	1,271
Portsmouth	5,329	4,632	4,589	4,638	4,615	4,359
Lima	5,247	4,421	4,299	3,968	3,663	3,354
Warren	3,298	2,632	2,355	2,091	1,894	1,756
Zanesville	1,222	893	722	619	536	791
Steubenville	750	642	619	637	533	634
Mansfield	1,457	813	972	831	1,155	682
Marion	1,544	1,166	1,038	1,010	918	782
Newark	1,348	1,207	1,047	906	773	708
Total of 11 other cities	31,681	26,966	25,366	23,661	22,401	20,842
GRAND TOTAL	422,023	373,447	363,978	351,847	334,177	337,733

Source: Debt statements filed with the Auditor of State

TABLE VII

CITY SCHOOL DEBT: AGGREGATE AMOUNT OF FUNDED AND UNFUNDED DEBT OF ALL CITY SCHOOL DISTRICTS, FOR SELECTED CITIES, OHIO, AS OF DECEMBER 31, 1930, AND ANNUALLY 1934-1938

(In thousands of dollars)

City	*1930*	*1934*	*1935*	*1936*	*1937*	*1938*
Cleveland	$27,194	$18,317	$15,759	$13,821	$11,232	$ 9,406
Cincinnati	17,670	15,944	14,712	13,693	12,986	12,323
Toledo	14,329	14,304	14,113	14,535	13,698	14,181
Columbus	10,365	8,913	8,472	8,593	7,752	7,235
Akron	10,376	8,693	8,602	7,239	6,435	5,901
Dayton	8,309	7,891	7,529	6,937	6,546	6,235
Youngstown	3,120	2,900	2,452	2,092	1,739	2,085
Canton	6,207	5,573	5,330	5,081	4,933	4,691
Total of 8 large cities	97,570	82,535	76,969	71,991	65,321	62,057
Springfield	1,577	1,605	1,537	1,420	1,302	1,235
Hamilton	1,408	1,521	1,410	1,311	1,194	1,077
Lorain	1,410	978	881	786	694	672
Portsmouth	2,315	2,111	2,005	1,856	1,746	1,630
Lima	827	677	629	593	528	584
Warren	2,241	1,741	1,578	1,413	1,247	1,073
Zanesville	863	646	596	551	503	490
Steubenville	903	630	562	504	446	893
Mansfield	1,196	848	769	688	609	1,088
Marion	1,344	1,120	1,031	1,001	860	778
Newark	996	789	734	679	625	828
Total of 11 other cities	15,080	12,666	11,732	10,802	9,754	10,348
GRAND TOTAL	112,650	95,201	88,701	82,793	75,075	72,405

Source: Debt statements filed with the Auditor of State

depression years and during the period of adjustment to the stringencies of tax limitation. This large decrease in the amount of local government debt in Ohio represents a healthy situation which is due in part, of course, to the way the ten-mill limitation has worked out.

The Griswold act, which provided for serial bonds, became effective in 1922. Most of the bonds that were issued just prior to this date were for periods of from ten to twenty years. Thus the depression and the peak load of maturities of local debt occurred at the same time in Ohio. There were many districts where all or practically all of the ten mills was taken for debt purposes and therefore no further levies for debt could be made within the limitation. Ohio also has statutory provisions requiring a 65 per cent majority for voted levies for all purposes except the current operating expenses of schools which require only a bare majority. It is true that this statute has been modified for short periods of time. However, this modification in the main has been for current expenses and thus there has been no way in which local governments could levy for debt purposes unless 65 per cent of the electors approved. It is true, too, that there has been a considerable amount of refunding in Ohio which of course is bad governmental financing. Under the circumstances, however, it would have been impossible to prevent it because of the desire to level off the aforementioned peak of maturities during these times.

In conclusion it should be noted that the Ninety-third General Assembly performed an outstanding job in generally refusing to enact enabling legislation which would have permitted local governments to enact additional motor vehicle license or occupational taxes and in abandoning the earmarking of state levied taxes for specific purposes other than in the case of the gasoline tax and the motor vehicle license tax. Better business conditions in 1939 than in 1938 will bring about increased governmental revenues. This is particularly true of the state government since the yield from the retail sales tax in the first five months of 1939 exceeded the first five months of 1938 by over two million dollars. Present indications are that the revenue from this source will be at least $45,000,000, or more than $5,000,000 above 1938. Cities in Ohio will also benefit from the policy of the present state administration of appropriating definite amounts of $12,000,000 for the general functions of local government and $10,000,000 for poor relief in each year of this biennium. The financial situation of Ohio municipalities has been greatly improved in recent years and further improvements can be expected if we take an intelligent and realistic approach to their still existing problems.

Tax-Exempt Property Poses Problem for Texas Cities[1]

By STUART A. MacCORKLE, *The University of Texas*

Study of one hundred cities reveals great variation in interpretation and application of laws bearing on tax exemption; upwards of 50 per cent of property not on tax rolls.

UNTIL the current controversy over reciprocal taxation of state and national agencies and instrumentalities of government, the general impetus on the whole has been consistently toward the extension of legally exemptible property. For the legislator it is good politics to vote for exemptions in favor of influential constituents. Every special interest group is able to present good evidence for relieving its particular property of the tax burden, and while the single items on the exemption lists may in themselves amount to little, the sum total of the accruals over the past decades constitutes an appreciable portion of what was once a potential tax base. The courts, through their rigid interpretations of the law, and the finance officers, in order that a maximum tax base be retained, have alone resisted this development.

A solution to the problem has not yet been reached. On the one hand there is a decided impetus toward expanding the tax base by eliminating a portion of the new exemptibles; on the other there is the persistent demand from those now burdened for further exemptions. These exactions are so wrapped up in the nature of the present economic and social system that it is difficult to differentiate between their justification when considered from the viewpoint of governmental fiscal policy or the general welfare of the whole. We have been told that the power to tax is the power to destroy; likewise, then, the ability to withhold a tax carries with it the power to sustain. The agriculturalist, the manufacturer, and the small home owner each frequently assumes that he should be given preferential treatment because of the social implications involved. We are therefore brought face to face with the fact that, unless the preferential treatment accorded to those who are exempt from tax levies results in the amelioration of conditions which make it necessary for government to extend itself into new fields, it would seem advisable to refrain from additional exemptions.

Unfortunately Texas has practically no statistics dealing with the valuating of tax-exempt property.[2] In the light of the consistent demands for homestead exemption and for preferential treatment with regard to various industries, it is an absurdity that so little detailed information as to the extent of exemptions exists. In only one of more than one hundred of the major cities of this state recently surveyed was there any consideration given to the value of exemptibles. In this community, with a population of about 6,500, it is estimated that approximately $1,057,400 worth of property was exempt from the application of the ad valorem tax. This was distributed among the classes of property as follows: county $131,000, city $500,300, schools $250,000, cemetery $16,200, churches $160,200. Although somewhat incomplete, this summary of the exempt property constitutes 18 per cent of the existing tax base and 15 per cent of the true value of all exempt and assessed property within the city.

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[1] This article is based upon material collected from more than one hundred Texas cities representing every population group.

[2] No doubt the best statistics as to the extent of exemption provisions are available in New York State, where the law requires the evaluation of exempt property in the same manner as taxable property.

There is little doubt that, were the legally and the illegally exempt properties added, in most Texas cities the resulting total would indicate an absence of 50 per cent or more of property from the tax rolls. In spite of this condition, nothing is done to obtain the necessary data to indicate the true situation, no steps are taken to improve the tax laws so as to prevent these exemptions, nor are attempts made to provide a reasonably large substitute source of revenue for financially hard-pressed municipalities.

LIST OF EXEMPTIONS

The list of municipal legally exempt property is not excessive. It includes property outside the jurisdiction of the state, public property of the federal, state, county, and city jurisdictions as well as that of other subdivisions, property owned and used for religious and educational purposes, growing crops and nursery goods, cemeteries not used for profit, property of art galleries and societies of fine arts, demonstration farms, the Texas Federation of Women's Clubs, Y. M. C. A. and Y. W. C. A. property, possessions of the Boy Scouts, fraternal benefits society property used for lodge purposes, $250 worth of household furniture, rolling stock of railroads, buffalo and catalo, and property of local housing authorities.

The crux of the exemption problem lies in the fact that the law is one thing while practice is another. Either advertently or inadvertently the provisions of present statutes are perverted until there is slight agreement about any but the most obvious forms of exemptions. The size of the actual tax base is smaller and the extent of the true exemptions is much greater than that intended by law. The administration of legal exemptions varies greatly from city to city.

For the existence of these present variations three basic reasons may be assigned. These are: (1) The lack of knowledge or understanding of the legal provisions by officials. (2) The existence of conditions which make it expedient not to conform to the law. (This is obviously coupled with the lack of an agency to enforce conformity and the absence of an articulate public opinion to demand legal equality.) (3) The existence of pressure groups which bring about deviations from the intent of the law. Only by having intelligent, well trained, fearless tax officials with strong convictions regarding the omnipotence of the law can these factors be eliminated.

Now let us turn to a consideration of the three basic causes in the order mentioned above.

LACK OF KNOWLEDGE

Being removed from the centers where tax problems are studied, and confronted with more work than they are able properly to complete, the municipal assessors can hardly be expected to keep in touch with the many ramifications now to be found in our tax exemption laws. No comprehensive summary of the law as it is interpreted exists, and no agency of official status confined to tax matters is available to the local assessor. Such information as can be obtained must be sought by hard labor, trial and error, and by search through such antiquated sources as may be available.

Frequently has it been held that lodges *per se* are taxable; yet repeatedly have assessors assumed them to be exempt as charitable institutions. Apparently there is little that is charitable about the average local lodge unless it is a fraternal benefit organization, and even then the law provides for the taxation of property not used precisely for lodge purposes. Not only are they commonly exempt on the assumption that they are charitable, but when it is evident that part of a given unit of property is used for profitable purposes, they are still only partially taxed. The Texas law does not in any instance imply the partial taxation of property. It is either taxable or exempt; yet time after time municipalities permit partial exemptions. As an evasion of the legal process of full taxation it is interesting to note that in some instances the ownership of the property has been divided and the portion of the building used for profit placed under the ownership of another. Even under such circumstances it is doubtful if most lodges can be exempt because of their failure to comply with legal exemption requirements.

One of the most complex problems for the local assessor today is the assessment of federal property because of the growing participation of the federal government in matters of ordinary existence and the prevalence of its properties in many municipalities. The varied nature of these institutions, and the havoc which has thus been raised with the fine legal distinctions which had previously been laid down, result in a condition which may be described as chaotic. Bank stock held by the RFC is an illustration of just such a condition. The courts in 1936 held that such stock is taxable,[3] with the result that assessors went under the assumption that they could levy on it; but subsequently Congress specifically exempted bank stocks held by the RFC and provided for their retroactive exemption.[4] Multiply the resulting effect by the number of such agencies which may acquire property, and add a small additional group of similar effects for the various conditions under which property may be acquired, and the complexity of the problem of federal exemptions becomes evident.

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[3] *Baltimore National Bank* v. *State Tax Commission of Maryland,* 56 S. Ct. 417 (1936).

[4] *Public Laws, Seventy-Fourth Congress, Second Session,* c. 160, p. 1185.

A ramification of the problem occurs in regard to the repossessed property held by the HOLC. Not only are local officials confused by it if they attempt to analyze its implications, but from all accounts those in control are not entirely sure of their ground. The federal statutes permit the taxation of this property, but these statutes are not mandatory on the states. The Texas constitution permits the state legislature to exempt public property used for public purpose,[5] and under this authority the state legislature exempted all federal property.[6] Even though the statutes may be unconstitutional as far as they exempt public property not used for public purposes, there has never been a decision to contradict the assumption that such property is actually public in nature. The best reason to be given for the payment of the tax by the HOLC is that it has been decided that it was the proper policy to follow. The law is ignored in favor of what is judged to be expedient. Such intricate problems will not be solved by the individual efforts of the average overworked assessor-collector, secretary, treasurer, and general handyman for the city.

The same problem arises in the taxation of property of other governmental units. If it is true that only public property used for public purposes is untaxable, then it must follow that property taken for taxes and rented out to private individuals, for example, is taxable. Most Texas cities have never assessed this type of property, laboring under the assumption that all property of another governmental jurisdiction is immune. Carrying this consideration a step further, it is conceivable that property purchased in excess of public need and held for private use by a governmental unit likewise may be taxable. For instance, portions of land outside actual needs for use as airports, cemeteries, and golf courses may be taxable.

Another fine legal problem which causes confusion and one which often results in thoughtless exemption is that created by consigned goods. In such cases where does the legal title lie? Where is the taxable ownership? Time after time this problem creates such difficulties that the assessor abandons it and permits the property to go untaxed.

PETITIONS NECESSARY

Deeply immersed in the verbiage of Title 128 of the Texas civil statutes, which deals with taxation, there is a requirement that an institution of educational or religious nature must petition for an exemption before it will be granted, and that until such petition is made the property shall be taxed. There seems to be no reason for assuming that this provision does not apply to cities as well as to the counties against which it is directed according to the interpretation of the state officials. Even though it could not apply to all cities, certainly it would be applicable to that relatively larger group of charter cities which include the provisions of Title 128 in their charters. Yet nowhere is such a petition required, nor is a penalty assessed for failure to comply with the law.

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[5] *Texas Constitution,* art. VIII, sec. 3.

[6] *Vernon's Annotated Revised Civil Statutes of Texas* (1935), art. 7150.

Illustrative of the divergent interpretations which may arise is the relatively common idea that the law provides for the exemption of mechanics' tools from taxation. A careful investigation reveals that the most probable source of this idea was the provision exempting such property from foreclosure proceedings. This exemption does not apply to taxation and the property is definitely taxable. Perhaps administrative expediency would intervene to prevent taxation were it contemplated under any circumstances, but contrary to the assumption held in cities of the state, the property is legally assessable.

It frequently happens that a church, hospital, school, or other private institution with an exempt purpose will acquire property in excess of its needs for exempt use. There is sufficient case law to substantiate the assessment of such property, and relatively definite rules have been laid down to differentiate that which is legally exempt from that which is not. All too often, however, it occurs that the exemption is extended beyond the limits of the property used for the exempt purpose. For example, here is a church which uses one lot of the block for its building, yet claims and receives an exemption on the whole block.

Again, there are instances where property is held by an organization for ultimate use for an exemptible purpose but is not being so used. In the meantime it may lie dormant or be used for private purposes, but because of its ultimate use it is exempt. While the court has restrained the taxation of property of such a nature to some degree by indicating that substantial intent is sufficient grounds for exemption,[7] nevertheless there may be room for believing that much such property is legally assessable where the actual intent to use for exempt purposes is so nebulous and distant as to raise doubt as to its ultimate fulfillment.

DIFFICULTIES OF ADMINISTRATION

No doubt the overwhelming proportion of exemptions is due not to failure to interpret the law but to inability or unwillingness to enforce it on the part of the proper authorities.

While the law provides for exemption of the first $250 worth of household goods,[8] all household furniture is generally tax-free. Were the assessor to depend on renditions for the enumeration of such property, gross inequalities would no doubt result. On the other hand, were he to go out after it administrative costs would mount, as was evidenced recently in Chicago, where the expense of assessing such property was found to exceed the benefits received.[9] Even if the property is located there always remains the moot question of its evaluation. In only a few places and for a small number of articles has it been found that the problems of administration do not make it unwise to attempt to assess household goods.

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[7] *City of Abilene* v. *State of Texas* (Tex. Civ. App., December 17, 1937), cited in *Texas Municipalities*, XXV (1938), 23.

[8] *Vernon's Annotated Revised Civil Statutes of Texas* (1935), art. 7150.

[9] National Association of Assessing Officers, *News Letter*, March 1937.

Now, looking at the problem from another angle, it is not unheard-of for a widow to be left with realty as her only source of income. To tax this property on the same comparative basis as like property in the community might prove too great a burden, resulting in either liquidation of the holding or the problem of relief. For these reasons many cities assess such property at a relatively nominal sum.

INTANGIBLES CREATE PROBLEM

But by far the most important exemption by reason of administrative difficulties is that of intangibles. By and large these are exempt because of the inability of the assessor to discover or the general reluctance of the owners to make proper renditions. On the whole there is no city in Texas which even suggests that all such property is discovered or even sought. In fact, there is much evidence to show that such tacit exemption results in the depletion of the tax base by about 50 per cent.

Mention should be made also of the fact that property of absentee owners in the hands of local people is frequently exempt. Outstanding among such properties are vending machines, electric phonographs, and certain rented devices such as clocks, display racks, and business machinery. In part the exemption is caused by the difficulty of locating the owner and of placing the property on the legal assessment day. Again, the difficulty is partially due to the fact that the physical value of the property may not be very great, and the concept of evaluation on such a basis as income has not yet secured a substantial hold in Texas municipalities.

Finally, despite the fact that a private hospital operated for profit is known to be taxable,[10] it frequently occurs that arrangements are made for reduced assessment in order that aid may be administered to an unprofitable but very essential venture. There is a distinct line of demarcation between hospitals which are tax-exempt and those which are not. In a few instances these organizations were found to have secured charters from the state defining them as belonging to the exempt classification. In these cases it appears that their property becomes exempt even though there is reason to believe that a profit motive prevails. In one instance, thwarted in its attempt to be declared charitable, a hospital sought and succeeded in obtaining classification as an educational institution because it trained nurses. The acquiescence of the city in this assumption indicates either a clear-cut desire to aid the hospital by the use of subterfuge or poor interpretation of the law.

PRESSURE GROUPS

Particularly in the area close to the Louisiana state line were industries found to be exempt from taxation. The same situation exists in other sections of the state where there are thriving industries which are virtually tax-free because the city in which they are located is forced to make a decision between obtaining some immediate revenue on the one hand or losing the industry on the other and being thereby deprived of one of the chief reasons for its existence. Obviously, under such circumstances these industries are absolutely or virtually tax-exempt. In other instances the assertion is made that certain commodity handlers shop around for cities which will permit the storage of their commodity without taxation and that these are found.

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[10] *Santa Rosa Infirmary et al* v. *City of San Antonio,* 259 S. W. 926 (1924).

Not always is the pressure group seeking tax evasion a minority one. A major portion of the populace may constitute such a group, as is illustrated in one city where the state homestead exemption is applied as a municipal exemption. This is definitely contrary to the court interpretations of the law;[11] yet it takes place. The fact that it does occur is evidence of the real existence of popular sanction.

The many quasi-public organizations with inclinations toward social improvement of the community furnish further examples of pressure groups seeking exemptions. Perhaps a classic example is the State Federation of Women's Clubs. It is not uncommon for women's clubs, garden clubs, American Legion groups, and similar organizations to seek exemptions by administrative decree. The administrative dilemma in which the city may find itself is illustrated in a recent situation involving two quasi-public institutions. Neither was found to pay any taxes, and the city administration tacitly evaded the issue because to have brought pressure on one would have necessitated bringing pressure on the other, and it was considered inexpedient at the time to exert such pressure. The tacit exemption of both resulted.

CONCLUSION

An investigation reveals that at the present time scores of deviations from the law exist in the municipal administration of the exemption provisions of the ad valorem tax laws in Texas. A person entering a city for the first time cannot be guided by the standards laid down in the statutes, but must be informed regarding the practices applied in that particular community. In a large measure blame for present conditions cannot justly be placed upon the shoulders of tax officials. The defects are far more fundamental and deep-rooted. It is evident, in the first place, that the laws as they now stand will never be enforced. The obvious solution is to revise the law, making it adaptable to enforcement. New and competent means for the securing of revenue must be developed in lieu of the devices which have so completely broken down.

Even though the present laws were strengthened in the light of modern tendencies, that alone would not solve the problem. It is imperative that administrative reforms be inaugurated, aimed at the mandatory application of the laws. A single

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[11] *Graham* v. *City of Fort Worth*, 75 S. W. (2d) 930 (1935, writ of error refused).

Southern Counties: Diagnosis and Prognosis

By NICHOLAS P. MITCHELL, *Furman University*

Ineptitude of county officials and indifference of citizens to much needed reforms speeding counties toward oblivion; revitalization through campaigns of enlightenment an immediate necessity.

ALMOST everywhere below the Mason and Dixon line little has been done with county government, and it remains about as it was, structurally, many, many years ago. Too many counties, too long ballots, oversized county boards and commissioners' courts, routine functions perfunctorily performed according to established custom, financial difficulties, haphazard accounting and budgeting, lack of planning—all these are typical in the southland.

Failure of efforts at reform is also general over the area, which seems to have a deep-rooted aversion to major changes of any kind, and is especially hostile to any alterations in its political machinery. In many instances the maintenance of old and unsatisfactory forms of government has been due to the fact that changes have been proposed by outsiders; such sources of suggestion the South as a whole does not tolerate. Since the days of the first carpetbaggers, the people of this area have viewed all newcomers, whatever their purposes, with the cold eye of suspicion. Failure to understand this widespread southern attitude, and the reasons which lie behind it, has prevented the success of more than one crusader, well-meaning or no, who desired to reform the South's political, social, or economic organization.

This region surely demonstrates the truth of Professor Lancaster's remark that "no reform of local government is likely to be permanent unless it is accepted and defended by local interests." A county can be little changed by transient leaders, such as pastors and teachers who will move on when a better opportunity offers, who are not putting down community roots, but are "merely stopping off between two adventures."[1]

Yet there are those in the South, including a number of native-born southerners, who in the past few years have become acutely conscious of the ailments of local government and have set out on campaigns for improvement. But no common plan of salvation has attracted general agreement. Some believe that because of the decided trend everywhere toward the assumption of one-time county functions by the state, the problem is not so much a matter of county reform as it is one of preventing complete county disappearance. Others feel that it is possible to revitalize the existing unit, although most of these usually favor county consolidation or at least the establishment of functional unions. Unfortunately, however, large numbers of southern citizens do not yet see fit to concern themselves with the subject in any way.

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[1] Lancaster, Lane W., *Government in Rural America* (New York, 1937), pp. 406-407.

As is well known, North Carolina took the lead in state centralization of county functions in the South, to be followed to a considerable extent in practice, if not always in law, by other states, notably Virginia, West Virginia, Florida, and Georgia. Still others have turned over at least some county work to the state governments. This state absorption has been due in large measure to the failure of local government to keep pace with the changes in social and economic life.

IS THE COUNTY DISAPPEARING?

This development has gone so far that some students are seriously questioning the future existence of the traditional local unit, and regard the issue as one of saving the county or letting it go. It has been said by Dr. Paul W. Wager, of the University of North Carolina, that: "County government in my state has become little more than a matter of sweeping out the courtroom two or three times a year in preparation for the holding of court, the recording of deeds, and the performance of the purely administrative task of assessing property, levying and collecting taxes, and keeping an account of disbursements, the major part of which is for debt service."[2] Six months ago Dean Raymond B. Pinchbeck, of the University of Richmond, well known in local government circles for his work as chairman of the Virginia Commission on County Government, said in an address: "It is my earnest conviction that unless vigorous and far reaching efforts are immediately made to bring about larger efficiency, economy, and democratic responsiveness to the will of its citizens, Virginia county government as we have known it in the state will disappear in this generation, perhaps in this decade."[3]

Certainly, if the county is to survive and properly to perform its share of work, drastic measures of resuscitation must be undertaken soon. But what and how? It appears that these measures must take the form either of territorial or functional consolidation of local units, or transference of the administration of roads, the custody of prisoners, the conduct of schools, and the relief of the poor to state agencies. Increasing demands upon already strained state governments will naturally add to the likelihood that they may be unable to carry on their normal functions in adequate fashion. For aid in certain areas of work, such as flood control or power and housing projects, counties in some states have recently been authorized to turn to the federal government.

While a reduction in the number of units of local government could effect a material economy, local pride, officeholder opposition, and other considerations seem to make territorial consolidation of counties impractical, if not impossible, as an immediate solution. At the same time decreasing property valuations and falling tax collections are making more and more counties financially unable to bear their burdens, and thus emphasizing the necessity for some change in the present system.

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[2] *Proceedings of the Institute of Public Affairs,* Eighth Annual Session (University of Georgia, 1934), Part II, p. 5.

[3] *A Coöperative Program for Improved County Government in Virginia* (December 1938), p. 5.

COUNTY AND FUNCTIONAL CONSOLIDATION

The idea of territorial consolidation, however, is not wholly dead. The 1939 legislature in Tennessee passed enabling acts setting up machinery for future consolidations.[4] A bill has been introduced in the 1939 legislature of South Carolina to provide a fund for the study of the possibility of consolidation in the state as a means of effecting a saving in the cost of government. The state is now becoming conscious of the value of the report made by the Committee on Government of the South Carolina Council several years ago. This report said in part:

> It is believed that a consolidation of several of the smaller counties could be effected with a reduction of overhead expense. When it is realized that 30 per cent of the expenditures of the average county goes to the payment of salaries, the merits of any plan looking toward elimination of salaries through consolidation of units will be immediately appreciated.
>
> Authorities agree that the overhead expense in any county having an assessed valuation of less than $10,000,000 constitutes an excessive burden. Thirty-six South Carolina counties are in that classification and, of that number, nineteen have assessed valuations of less than $5,000,000.
>
> The situation is such in South Carolina as to justify the appointment of an official nonpartisan board to examine in detail the question of consolidation and to make recommendations to the General Assembly based on its findings.[5]

There are numerous examples of functional coöperation among counties in the South. Intercounty libraries and health services are not uncommon. As a further example, "In Virginia there are, at present, combinations of counties into ten joint health districts, fourteen school districts, thirty-four judicial circuits, and four district almshouses which have replaced twenty county homes. This movement has little opposition from county officers, because it is least disturbing to the status quo."[6]

The desirability of structural reforms and the establishment of a county executive is recognized everywhere. Progress of the manager idea has been slow, however, largely because of the resistance of those holding office under the present system. In South Carolina there is especial need for a change in organization. There the county legislative delegation takes the place of a county board, and no action of any importance may be taken regarding county affairs without the consent of the state legislature. This has produced at times an almost intolerable situation. The county commissioners found in some South Carolina counties deal only with financial matters, and are generally under the control of the legislative delegation. It is to be hoped that the suggestion made some time ago by Columbus Andrews in his study of county government in the state may eventually be realized. This would divide county administration into the five general departments of finance, health, education, public works, and public welfare; and would authorize counties, where it seems economical and wise to do so, to establish joint departments of health and public welfare, jails, and county-group hospitals and homes for aged and infirm citizens.[7]

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[4] See NATIONAL MUNICIPAL REVIEW, April 1939, pp. 312-314.

[5] *Report of the Committee on Government of the South Carolina Council* (1931), p. 17.

[6] Pate, James E., "Trends in County Government," *Social Forces*, March 1938, p. 425.

FISCAL IMPROVEMENTS NEEDED

The need for centralized purchasing, uniform accounting, budgeting, and other financial safeguards continues acute, although a beginning has been made in some states. Alabama has passed a uniform county accounting act, authorizing the requirement of prescribed forms for county records. The state has also extended the provisions of its budget law to counties. This is following the lead of North Carolina and Virginia. Almost everywhere there has been, and is, some central administrative control of local finance through state-administered locally-shared taxes, grants-in-aid, and state auditing of local accounts. But much remains to be done. Some counties have no record of outstanding indebtedness, while others have failed to make adequate provision for retiring their debts. And even in those sections in which periodic auditing of county records is mandatory, the examining forces are often so small that it is impossible to make more than a perfunctory study in many of the offices.

In this matter of state control, the Alabama Department of Finance act of 1939 has a number of important provisions:

(1) It requires all county boards to submit certified copies of their annual budgets within thirty days of adoption to the Division of Local Finance in the State Department of Finance. But the Division of Local Finance has no power of approval or revision.

(2) It requires each county board to submit to the Division of Local Finance an annual statement of its financial condition.

(3) It empowers the Division of Local Finance to require periodic reporting of all county purchases of one hundred dollars or more, and authorizes the purchasing agent of the State Department of Finance to make purchases for the counties upon request.

(4) It transfers from the state comptroller to the Division of Local Finance the power to prescribe uniform county systems of accounting and to make a post audit of county finances.

(5) It empowers the Division of Local Finance to investigate all new proposed obligations of the counties and to advise whether such obligations will in its opinion have an injurious effect on the credit or general financial condition of the county. In the event of county default on principal or interest for ninety days or more, and when requested in writing by the holder of any bond in default, the Division of Local Finance is authorized to take charge of county revenues to the extent that such revenues are exclusively applicable to payment of principal and interest.

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[7] *Administrative County Government in South Carolina,* Chapel Hill, 1933, p. 197.

State control is to continue until the default is remedied or a plan is accepted by the bondholders and the governing agency of the county.[8]

The finding of adequate revenues to meet county needs is another problem, accentuated by decreasing returns under, or the complete disappearance of, the general property tax. It has become necessary in a number of states to divert state funds for county purposes. In Florida the situation has a rather unusual quirk. The state is so apportioned that the small county representatives in the legislature are able virtually to control it. The result is that their ordinary expenditures are practically subsidized by the state. Such earmarking of funds naturally adds to the financial difficulties of the state organizations. At least a partial remedy for this situation lies in a stricter enforcement of the laws governing tax delinquency.

PLANNING MAY HELP

County planning is being heard of to some extent. Every Florida county has a planning council, set up by the State Planning Board. In some Georgia counties planning has been sketchily tried. In Greenville County, South Carolina, the Greenville County Council for Community Development is carrying out a five-year planning program, with the coöperation of the county government, Furman University, and other agencies. Tennessee, Georgia, and Virginia have passed acts permitting county zoning, and the Tennessee law is being applied in Hamilton County. The combination of city and county governments has also been suggested, being discussed at various times recently in Atlanta, Georgia; Durham County, North Carolina; and Greenville County, South Carolina. There are a few, however, who support the opposite position, urging the spread of the Virginia system of separation of cities and counties.

All over the South there is need for further stimulation of public interest in problems of local government. Various programs of adult education emphasizing local topics have sprung up in many sections; institutes of public affairs have been held for years at several of the leading southern universities. In some places these adult programs have resulted in definite action. In Greenville County, South Carolina, for instance, a Good Government Association was formed, following an educational campaign of some weeks, which did much to clean up the county in recent elections and which may take the lead in urging the adoption of the manager system. There must be many more forums and other discussion groups, however, followed by concrete proposals for change, before reform moves much faster in southern local government.

The trend at present seems almost universally to favor following the line of least resistance, which means further transfer of historic county functions to state, and perhaps even federal, organizations. As is easily understood, this may bring about the disappearance of many county powers, if not of counties themselves, and will therefore continue to be viewed with alarm by many. But it must be noted that there are many others who are ready to accept further centralization, regardless of its threat to local independence, as normal and desirable in this streamlined age, and who will agree with Professor J. E. Pate that:

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[8] Information regarding this act was supplied by Professor Wilson K. Doyle of the University of Alabama.

> If efficiency and economy are our aim in the reform of county government, we should stop fooling ourselves; we should end our propaganda for radical changes in the form of county government; we should use our talent to get the older functions of local government transferred to the state, and bring the remainder under close state administrative supervision. In this direction lies greater economy and efficiency in performance of those governmental functions that have ceased to be local, or those that lie on the border line between the county and the state.[9]

Finally, in the South local government is the stronghold of professional politicians and incompetent administrators, and they are firmly entrenched. The storming of their fortresses must be the South's major political drive for the next decade, and this can be successfully done only in connection with campaigns designed to give the public further enlightenment regarding fundamental principles of administration. Otherwise no revitalization of southern county government is possible and the county as a living unit is doomed. The average local officeholders in the region today are interested only in the maintenance or expansion of their own positions, and insist on viewing proposals for even minor alterations as implied accusations of their personal unfitness for office. The persistence of that attitude can only result in southern county government's becoming so hopelessly deficient that there will be no course to follow save that of surrendering automatically all local functions to a higher power.

TAX-EXEMPT PROPERTY

(Continued from Page 533)

good assessment should be substituted for the present two, three, four, five, and six varyingly competent applications of identical procedure. Some central agency, studded with experts, might be devised with power to advise, supervise, and exert some pressure upon local tax officials who failed in their duties. Under the present system time and the multiplicity of units can result only in increased divergencies between theory and practice.

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[9] Pate, *op. cit.*, pp. 425-426.

The Researcher's Digest: July

California self-help cooperatives may be partial solution to relief problems; Population problems explored by New Orleans and Rochester Bureaus of Research; Dayton bureau finds six ways to raise revenue; St. Louis survey.

THERE were in the United States 168 self-help organizations for 5,858 persons who would otherwise have been unemployed, as of June 1938. Seventy-five of these were in California. What was their value as "a working illustration of one alternative to dole relief"? To answer this question the **Bureau of Public Administration of the University of California** has contributed a concise study on *Self-Help Coöperatives in California,* based on the voluminous doctoral thesis of one of the authors.

Skipping to the "back of the book" for the answers, the bureau reveals that: (1) although savings varied, in general the total cost of self-help benefits to the state was less than the cost of the equivalent amount of direct relief, thus indicating the possibility of savings through such programs; (2) production coöperatives have not been as efficient as private enterprise, but since they are in no way comparable with private enterprise as to age and ability of workers, type of capitalization, and other factors, the criterion is not particularly valid; (3) the effect of participation in self-help production on the social attitudes of the members was to concentrate their interest on productive activity rather than in protest for higher relief payments; (4) a survey of citizens in selected communities found 80 to 85 per cent of citizen approval of self-help production groups.

The authors describe the arrangements, financial and otherwise, whereby both state and federal governments join to help along the coöperatives and they thoroughly discuss the statistics of an experiment which perhaps deserves more attention than it has gotten, as a partial solution to the great American relie problem.

There is an echo, on every page of this scholarly research publication, of *The Grapes of Wrath,* John Steinbeck's great new novel on the dust-bowl homeless who trekked hopefully to California. A reader longs to ask the Bureau of Public Administration what kind of people work in the coöperatives. Are they natives? Are they "Okies"? How do they like the arrangement? Almost, one is tempted to inquire of the Bureau of Public Administration the welfare of Ma Joad.

A Diminishing People

New Orleans' slow growing population is called an asset by the **New Orleans Bureau of Governmental Research,** which began, with its bulletin of May 25th, a series of thoughtful, thorough, and easy-to-understand discussions of population problems. Five advantages of the unspectacularly steady rate of population increase are set forth:

(1) Gradual demand for expansion of city governmental services such as water supply, sewers, fire and police protection; (2) minimizing of those community health problems which are usually accentuated during rapid migrations; (3) absence to a large degree of land booms with consequent overextension of public facilities, and subsequent deflation of values, waste of water, sewer and drainage extensions, and high special assessment debt; (4) comparative ease in assimilating newcomers, socially and economically, and in making adjustments during depression periods; and (5) a far greater opportunity to plan the future, relatively unhampered

by overexpanded business, industrial, and residential facilities.

The bureau has been having the same difficulty in judging population growth, since the last federal census, that beset Detroit groups and that prompted the restudy by the Detroit bureau discussed in these columns last month. Lamenting the dearth of reliable data, the New Orleans bureau discarded school census figures for 1935 as scarcely indicative, and relied chiefly on past trends and figures for sewerage and water customers and persons served. These indicate, says the bureau, continuous growth since 1930 but at a slower rate than in the preceding decade, bringing New Orleans "around the half-million mark" now.

For the future, the bulletin predicts continued increases but at a slower rate, increase of the colored proportion in the population, minimizing of the importance of natural increase, and greater importance of increases through migration. All of these, the bureau significantly remarks, are of course dependent on economic developments.

Bulletins 2 and 3 in the series explore the character and movement of the population within the city. The former might be expected to be an especially romantic question in New Orleans, with its colorful French-Spanish origins, its sizable colored population, its location on America's most thoroughly serenaded river. But the bureau's discoveries are real and earnest, for New Orleans' population is aging, with serious implications for social services, schools, and hospitals.

A spectacular map of migrations within the city provides the high point of the third bulletin, which might also be an eye-opener for (to coin a phrase) urbanophile serenaders of "moving day in the city"!

Still on the subject of population, the **Rochester bureau** is sufficiently concerned with Rochester's population problem to headline it *A Real Crisis* in its May bulletin. Here are the graver implications of another familiar big city phenomenon: the trek to the suburbs. The bureau guesses that people are leaving to escape congestion and to escape high taxes, and warns that by constitutional fiat the day has passed when the city may recapture the strays by simply annexing another slice of border territory. Intelligent zoning and rethinking of the city's financial structure are suggested as two possible remedies to Rochester's "greatest crisis."

Dayton's Unused Revenue Sources

A virtual primer of municipal finance for the citizens of Dayton is comprised in the **Dayton Research Association's** *Twelve Years of Income for the City of Dayton Government (What Possible Unused Sources of Income Exist).*

Although public financing is divided into two parts, receipts and expenditures, the bureau contends, expenditures are the dependent partner. The discussion therefore devolves about four questions. From what sources and in what amounts does money come for the operation and maintenance of the city? How is city income distributed among its sources? Is it possible to increase city income derived from the various present sources? What possible unused sources of public revenue exist?

Distraught legislators in other jurisdictions may find it a matter of great interest that the Dayton Research Association discovered no less than six means of increasing the operating revenues of the city government. They include reduction of debt by a definite plan, a moratorium on certain bond issues, complete removal of the financing of relief from sources of city operating revenues, establishment of licenses and permits for activities which are now free but offer licensing possibilities, a contributory system for police and fire pensions, and restoration of the garbage reduction plant and establishment of revenues from sales of products.

Survey for St. Louis

Last year the mayor of St. Louis was authorized to appoint a citizen committee to advise him in the making of a city survey and audit. Concerned over mounting deficits in the municipal revenue fund, he appointed a committee composed of five leading St. Louis business men. They recommended that the city ask the **Governmental Research Institute** to undertake a survey, and necessary audit, of the city government. The size of this undertaking made it necessary for the institute to supplement its staff by employing Griffenhagen and Associates to provide the necessary personnel, working under the direction and supervision of the institute. The Board of Aldermen, in its appropriation ordinance for the fiscal year 1939-40, appropriated $40,000 to defray the expenses of such a survey. None of this money will be used to meet the institute's ordinary expenses. The institute has entered into a contract with the city and also with Griffenhagen and Associates providing for a comprehensive survey of the organization structure, the policies, the procedures, the operating practices, the value and cost of services rendered, and the expenditures involved for all city departments under the direct control of the Mayor and Board of Aldermen. Excepted from the scope of the survey are the city's school system, the police department, the library, art museum, zoo, municipal courts, and the state courts and court officers. The departments to be surveyed employ approximately nine thousand persons. The size of this undertaking will not permit a report of all findings and recommendations until the close of 1939.

Research Bureau Reports Received

Courts

Magistrates and Politics. Philadelphia Bureau of Municipal Research. *Citizens' Business,* June 13, 1939. 3 pp.

Police

Police (Comparative Statistics). Atlantic City Survey Commission, Inc. June 6, 1939. 5 pp.

Population Trends

A real crisis. Rochester Bureau of Municipal Research, Inc. *Municipal Research,* May 1939. 1 p.

Population Problems, I. New Orleans and How It Grew. Bureau of Governmental Research. *City Problems,* May 25, 1939. 7 pp.

Population Problems, II. New Orleans—A Changing People. Bureau of Governmental Research. *City Problems,* June 6, 1939. 6 pp.

Population Problems, III. New Orleans—People on the Move. Bureau of Governmental Research. *City Problems,* June 13, 1939. 6 pp.

Public Welfare

Self-Help Coöperatives in California. By Clark Kerr and Arthur Harris. Bureau of Public Administration, University of California. 1939 Legislative Problems, May 8, 1939. 26 pp.

Salary Standardization

Salary Standardization (Referendum). San Francisco Bureau of Govermental Research. May 5, 1939. 35 pp.

Taxation and Finance

Debts—Taxes—Assessments. The Civic Federation and Bureau of Public Efficiency Chicago. May 1939. 24 pp.

State Distribution of Sales Tax. Dayton Research Association. *Facts,* June 5, 1939. 3 pp.

Total Taxation, Total Public Expenditures. Citizens' Research Institute of Canada. May 10, 1939. 4 pp.

Twelve Years of Income for the City of Dayton Government. (What possible unused sources of income exist.) Dayton Research Association. April 1939. 32 pp.

Contributors in Review

THE member representing business on the Ohio Tax and Revenue Commission in 1938 was **Carlton S. Dargusch,** lawyer, while the career of **John N. Hart** seems to identify him as a teacher and researcher. These diverse vocational streams fused in *Ohio Tends Her Tax-Limited Localities.* Mr. Dargusch was the author of *Estate and Inheritance Taxation (1930),* co-draftsman of the present Ohio liquor control law, classified personal property tax law, and sales tax law. Mr. Hart is now part-time teacher at the Department of Economics of Ohio State University and has also been statistician for the state Department of Taxation since 1933. Mr. Dargusch originated in western New York thirty-nine years ago; Mr. Hart hails from Ohio, as of November 30, 1909.

A STAR member of that elect and select tribe of government authorities which issues from the School of Public Affairs and Citizenship of Syracuse University, **Hubert R. Gallagher** (*Legislative Highlights of 1939*) has justified his training by his career. Stanford University, which gave him his bachelor's degree in 1929, took him back as acting assistant professor in 1932, following his three years of experience as fellow, research assistant and instructor at Syracuse. Of late Mr. Gallagher has been with the Council of State Governments, first as staff member, later in charge of the New York office, and now as assistant director.

FEW are better fitted to follow what might be called the "psychological approach" to the problems of county government in the south than **Nicholas P. Mitchell** (*Southern Counties: Diagnosis and Prognosis*), who has, so to speak, been a southerner all his life. Mr. Mitchell has sampled most of the good southern universities, including Texas, Duke, Louisiana State, and Richmond. For the last three years he has been professor of political science and chairman of the department at Furman University. One of his excursions into another southland comprised authorship of a book on *Land Problems and Policies in the African Mandates of the British Commonwealth* (1931). Mr. Mitchell is also author of *State Interests in American Treaties* (1936).

PROFESSOR and researcher, two titles not necessarily synonymous, have been well mated in the career of **Stuart A. MacCorkle** (*Tax-Exempt Property Poses Problem for Texas Cities*). Mr. MacCorkle is both assistant professor of government and director of the Bureau of Municipal Research at the University of Texas. He was author of *The American Recognition Policy Toward Mexico* (1933), *State Financial Control over Cities in Texas* (1937), *Police and Allied Powers of Municipalities in Texas* (1938), as well as numerous articles on governmental subjects in this and other publications. Johns Hopkins University launched his career in 1931 with the degree of Doctor of Philosophy.

THAT rare and precious phenomenon, a good citizen who is also vocal, is **S. V. Norton** (*Citizenship Day in Manitowoc*) who spends his time in a neat balance between business and constructive civic leadership. Born in Chicago in 1882, Mr. Norton has been almost continuously associated with the automotive industry in the middle west, even including war-time when he was connected with the Motor Transport Division of the

Ohio State Council of National Defense. The Oakland Citizens League at Pontiac, Michigan, (which was instrumental in bringing Oakland County emphatically into the black within only a few years of virtual bankruptcy) claims Mr. Norton as a member of its board of directors. He is also a member of the advisory council of the Detroit Citizens League, and a former chairman of the Village Planning Commission of Bloomfield Hills, Michigan, where he resides. Final cachet on Mr. Norton's good citizenship is provided by his membership on the council of the National Municipal League.

A TALENT for making friends and a proclivity for offering coolly intelligent mediation in times of public crisis have made **Harold E. Stassen** (*Managing Minnesota*) governor of Minnesota at the age of thirty-two. A typical farm-boy-works-his-way-through-college young manhood preceded Mr. Stassen's first excursion into public life a year after he was graduated from law school. Twice elected attorney in Dakota County, he made such a striking record that by 1938 he was able to vanquish seasoned public figures in the contest for the highest office in the state.

Managing a Big City

THE city manager plan is now beyond the experimental stage. It has demonstrated its practicability over and over again. And it has proved beyond debate that wasteful extravagance, political graft and racketeering, collusion with crime, interference with justice, and all the other flagrant indictments of many municipal administrations can be eliminated.

A big city like any big business can be honestly, economically, and efficiently administered if the people will have it so.—RT. REV. GEORGE CRAIG STEWART, Bishop of Chicago.

Children's Government

A GATHERING of eager, intense, and alert young girls recently spent a week in Topeka as guests of the Kansas American Auxiliaries. The girls, representing cities, towns, and communities in every part of the state, were there to learn as much as possible in the event-packed week about the business of government.

The legion auxiliary was pleased with the success of the first effort of its kind in the nation, the organization of the Girls' State, modeled exactly on the lines of the Boys State which is annually sponsored by the Kansas legion.

Members of the Girls' State organized their own state, county, and city governments and took up for consideration and study the problems which beset such units of government.

Some of the things these girls attempted to work out were school consolidation, county manager form of government, state police, sales tax, civil service, free text books, and state social security.

Under the head of county government were bridge building, jury service, health, and public aid of the needy.

City problems included health, taxes, schools, parks, zoning, traffic laws.—*Editorial Research Reports—Local Affairs Service.*

Recent News Reviewed

City, County, State Progress in Brief

Use of Merit System Increases Rapidly

Elections on Manager Plan Scheduled; Traffic Safety in Cleveland; Citizen Organizations Active

By H. M. OLMSTED

Eighteen cities adopted or extended civil service provisions for their personnel between January 1st and June 1st of the current year, according to the Civil Service Assembly. With these additions more than seven hundred cities now operate under merit systems.

Atlanta, Georgia, with approval of the state legislature, is the largest city in the 1939 group. A majority of the city's workers will come under the plan, which is to be administered by a personnel board. Other cities adopting merit administration were: Greenville, South Carolina; Owensboro, Kentucky; Lincoln Park, Michigan; Chicago Heights, Monmouth, Mt. Vernon, and Sterling, Illinois. Fairfield, Homewood, and Tarrant, Alabama, were added to ten other municipalities served by the personnel board of Jefferson County, under permissive state law.

Cities broadening their civil service systems include Fort Smith, Arkansas; Norfolk, Virginia; and Newport, Kentucky, all of which extended coverage from police and firemen to all city employees. Elgin, Illinois, also brought additional employees under civil service already established. Fayetteville, North Carolina, and Gary, Indiana, by action of their respective legislatures, gained merit systems for police department employees.

In Detroit, Michigan, a police merit board was established recently when citizens approved a charter amendment providing for a merit system for officers and employees of the city's police department.

The 1939 additions to merit system cities have already passed the halfway mark of 1938 adoption, which totaled twenty-nine, according to the association.

Pennsylvania Looks to Merit System

The Pennsylvania legislature has passed a bill setting up a state civil service commission which, however, does not extend the merit system beyond the three groups already covered—other than the employees of the civil service commission itself. The three systems already in effect include the employees of the Liquor Control Board and of the unemployment compensation and public assistance organizations. The executive head or administrator of the commission is to be chosen by competitive examination.

The Philadelphia *Bulletin* of May 29th, in expressing the hope that the bill would receive the Governor's approval, stated its belief that with the new commission as a foundation the extension of civil service in the other state departments is likely to be much easier.

Massachusetts Reorganizes Civil Service Commission

A bill signed by Governor Saltonstall on May 24th replaced the three-member salaried civil service commission, whose chairman acted as full-time administrator, with a part-time commission of five members, and a director of personnel who is to be appointed for a five-year term, either as a result of open competitive examination or by a four-fifths vote of the commission.

Merit System Suffers Reverse in Michigan

The recent Michigan legislature, now adjourned, passed two acts which, taken together, will have the effect of destroying perhaps half of the program which had been operating under our so-called model civil service system for eighteen months. Some six thousand additional positions were put in the unclassified service. The civil service commission was revamped on a political basis, $3,000 salaries were given to the commissioners, and the powers of the commission were greatly reduced with reference to carrying on the necessary personnel transactions. In other words, the Michigan civil service is left with a classified service of about ten thousand. The technical staff, now somewhat reduced in number, will, however, be retained and Kenneth Pennebaker, who was chief examiner, has recently been chosen state personnel director. If the new commission will permit the competent staff which still remains to perform the necessary personnel work, we can still have a good service for more than half of the employees; but this remains to be seen. In other words, Michigan has taken a step backward. A move is now being made to take the case to the people so that by means of a constitutional amendment and an initiated bill the people themselves in 1940 and 1941 will be able to set up a civil service system which cannot thereafter be assailed successfully.

James K. Pollock
University of Michigan

Maryland Governor Vetoes Change in Merit System Control

According to the *News Letter* of the Civil Service Assembly, a legislative effort in Maryland to substitute a three-member commission and a director of personnel for the present office of commissioner of employment and registration was defeated by Governor O'Conor's veto of the bill designed to make this change. The Maryland League of Women Voters, the National Civil Service Reform League, and the Junior Chamber of Commerce were among the groups which urged the Governor to veto the measure on the grounds that it was politically inspired and represented a retrogressive step in the administration of the state's merit system.

More Cities to Vote on Manager Plan

Harrisonburg, Virginia, has appointed a city agent or manager by ordinance of the city council.

In **Tippecanoe City, Ohio,** a committee has been formed with the objective of securing the manager plan for that municipality. The committee decided to circulate petitions asking that the council call a special election on the question of adopting commission-manager government. On May 27th the council, upon receiving the petitions, voted to call a special election on July 29th on the question of a change from the mayor-council to the manager form of government. Candidates for the charter commission will be voted on at the same time as the question of appointment of a commission is submitted.

The Governor signed the city manager-proportional representation charter for **Waterbury, Connecticut,** recently passed by the legislature, on June 20th. It now goes to a referendum of Waterbury voters on October 3rd.

The charter commission of **Jackson, Michigan,** will submit its proposed new charter, calling for the manager plan of government, to the voters of that city on November 7, 1939.

Circleville, Ohio, will vote in November on the question of the election of a charter commission to draft a new charter.

Traverse City, Michigan, on June 20th defeated its proposed city manager charter by a vote of 769 to 627—an extremely light vote in a city which normally casts 3,500 ballots.

On the same day, **Clifton Forge, Virginia,** also voted against the manager plan, 815 to 672. This vote was an expression of opinion only.

A bill to provide the manager plan for **Frederick, Maryland,** passed the state legislature but was vetoed by the governor.

In **Portsmouth, Ohio,** an effort has been under way to abolish the present manager government and return to the mayor form. The charter recall committee conducted a three-months campaign with the objective of obtaining at least 8,000 signatures to the petition. As finally filed with the city council the petition contained 3,387 names.

In **Abingdon, Virginia,** petitions have been circulated asking for a referendum on the proposition of substituting the manager plan for the present councilmanic system, the petitions to be presented to the Washington County Circuit Court, which has the power to call a referendum election. They propose a council of five members as the only elective officers of the town, the council to elect one of its members as mayor and to choose a manager from outside its membership. At least three members of the present council are reported to have endorsed the manager plan.

As noted last month, the **Newark, New Jersey,** Citizens Union has been circulating petitions for a vote under the New Jersey optional city manager law. At the same time representatives of the Junior Chamber of Commerce and Essex County members of the state assembly have introduced in the legislature a bill calling for a new type of charter with a strong mayor who would appoint an administrator of the city's business affairs; the mayor would also name the heads, or directors, of the six major departments. There would be a legislative council of nine, three to be elected each year.

Manager government is to be considered by voters of **Bar Harbor, Maine,** at the next town meeting. City Manager Fred D. Farnsworth of Brewer recently delivered an address on that subject at an open meeting of the Bar Harbor Civic League.

The manager plan is under consideration in **Delta, Colorado,** which now has the commission form of government. A communication has been mailed to every property owner in the city, asking his reaction to the proposed change.

In **San Antonio, Texas,** Mayor-elect Maury Maverick (formerly United States Senator from Texas) has announced plans for a far flung reorganization of the city administration, involving changes in every department and placing all activities under the direct supervision of the mayor. In his announcement, Senator Maverick stated: "We are trying to combine the best features of business management. This new reorganization will allow an easy transition into the council-manager form of government."

Movements for the manager plan are under way in **Irvington, New Jersey,** and **Scottsbluff, Nebraska.**

Maine Legislature Authorizes Referenda

The 1939 session of the Maine legislature enacted manager charters, subject to local referendum for the cities of **Bath** and **Gardiner** and the towns of **Houlton, Lisbon, Norway, Caribou,** and **Lincoln;** and the town of **Presque Isle** was permitted to vote on a city charter of manager form.

Houlton at a special election March 2nd adopted its manager charter.

As noted in these pages in May (p. 387) a general enabling act was passed authorizing any town to employ a town manager or to form a union with one or more other towns in the employment of a town manager. The proportion of the manager's salary to be paid by each town is to be determined by agreement among the selectmen of the towns comprising the union.

The following provisions outline the

powers and duties of the town manager:

> *Sec. 3. Powers and duties of town manager.* Town managers shall be chosen on the basis of their executive and administrative qualifications by the selectmen of a town voting to employ a town manager, or by a joint board composed of the selectmen of the several towns comprising a union for the purposes of this act in which joint board the selectmen of each town shall cast collectively a single vote. A town manager shall be the administrative head of the government of the town, or of each of the several towns comprising a town union, and shall be responsible to the selectmen of each town for the administration of all departments of each said town over which the selectmen of towns have control, and his powers and duties, where not otherwise provided, shall be generally as follows:
>
> a. To see that the laws and ordinances are enforced.
>
> b. To act as purchasing agent for all town departments except school departments, and to submit to bids any purchases involving more than $100 if the selectmen or the joint board shall so order.
>
> c. To attend the meetings of the selectmen, except when his removal is being considered and recommend for adoption such measures as he may deem expedient.
>
> d. To keep the selectmen and the citizens of said town or towns fully advised as to the financial conditions of said town or towns.
>
> e. To perform in each town or towns such other duties as may be prescribed for him by the selectmen, including the duties or any part of the duties of the town treasurer, the road commissioner or commissioners, the tax collector, and the overseers of the poor, any other provisions of statute to the contrary notwithstanding.

ORREN C. HORMELL

Bowdoin College

Pendergast Conviction Spurs Civic Spirit in Kansas City

In Kansas City, Missouri, where the Forward Kansas City Committee was organized some time ago, increased enthusiasm for better city government was stimulated by the conviction and sentencing of T. J. Pendergast, political boss. At a large dinner meeting shortly after that event the committee announced plans for a permanent organization to stand guard over the administration of public affairs in Kansas City and Jackson County.

Educating the Public in Traffic Safety

Recently Cleveland was awarded, jointly with Milwaukee, first place in the 1938 national traffic safety competition among the major cities of the nation. This is particularly noteworthy in that the number of traffic deaths in Cleveland was reduced by more than 46 per cent for the year. Various factors contributed to this result, but of particular interest is the program of public education in traffic safety inaugurated when the police department was reorganized in 1938. A Bureau of Public Relations was established at the same time to educate the public in matters of traffic safety and to promote the good will of the people.

By way of developing the interest of the police department as a whole, as well as of the public, the police of the various sections of the city were invited to compete for trophy awards furnished by one of the local newspapers and the Cleveland Safety Council. Considerable publicity was given to the contest, and the traffic enforcement index immediately rose.

Public talks occupied an important place in the educational program; 9,097 talks on safety were given in 1938 before schools, churches, parent-teacher associations, social groups, and industrial organizations. About 50 per cent of them were given by members of the police department, and the others at the request of the department. At first speaking engagements were solicited but before the end of the year this became unnecessary.

Considerable use was made of the radio also; 626 short talks were delivered by members of the department and others, the time being donated by the local radio stations and local organizations employing radio time. The Bureau of Public Relations directed the programs. Safety exhibits and billboards totaled 5,145 for the year, while 80,000 posters emphasizing safe practices were displayed on the backs of trucks and taxicabs and at prominent places throughout the city.

Articles numbering 1,449 were supplied in 1938 for publication in the foreign language newspapers and in the magazines and pamphlets issued by various industrial concerns of the city; 2,578 slides and films emphasizing the same theme were shown in theatres and at public gatherings; 1,179,000 pieces of literature on traffic safety were distributed to the public. A memorial service to Cleveland's traffic dead was held on the Public Square late in the year.

A system of courtesy and warning cards was inaugurated as an important part of the program of public education in traffic safety. Cards stating that a violation had been committed, and its nature, were handed to traffic violators by the police, in connection with the less serious and presumably unintentional offenses. In the case of children, personal warnings by the officers were used in place of printed cards.

Although the program of public education in traffic safety was not the sole factor in reducing the number of traffic deaths in Cleveland from 247 to 130 in one year, local officials are convinced that the work done in this connection was a major contribution in the campaign to save human lives.

Christian L. Larsen
Western Reserve University

New Housing Program for Memphis

Shelter for lower income groups than have been accommodated in previous housing projects is the objective of a new housing program in Memphis, Tennessee.

The Memphis Housing Authority has under construction two housing areas which will wipe out seventy acres of slums at a cost of $7,000,000. Lamar Terrace, covering 25.6 acres, replaces one of the city's worst blighted sections. Its buildings will serve 478 white families.

Vance Avenue project, occupying forty-five acres in a decayed residential neighborhood near the downtown district, will house nine hundred negro families. Its dwellings will be row houses set at varied angles in relation to the landscaping of the area.

Each project will have a combined administration building and community center. Grounds will be attractively planted, with provision for recreational activities.

Rentals on the projects will average $3.25 a room per month, with utilities costing less than $1.00 extra. In Lauderdale Courts and Dixie Homes, housing areas previously built in Memphis, rentals average $5.50 a room per month, including utilities.

WPA labor has been used in demolition on the site of Lamar Terrace and the city will utilize the salvaged building material on WPA projects.

Louise Gambill
Memphis Municipal Reference Library

Citizen Education and Activity in Various States

Adult political education is under way in Georgia through the agency of a "Citizen Fact-Finding Movement" which within the last two years has enlisted seventeen statewide organizations with 250,000 members on its coördinating committee, according to the Governmental Research Association. The seventeen groups include various parent-teacher, church, and library associations, as well as the United Georgia Farmers and the Georgia Press Association. Informational reports on state affairs are distributed to local member units and others with the purpose of awakening public opinion. Within the last year reports were issued on subjects including natural resources, agriculture, industry and commerce, education, public welfare, and the tax and political systems of the state.

Citizens of Cincinnati, Ohio, through a

privately supported organization known as the Traffic Safety Council of Metropolitan Cincinnati, are coöperating with the city's Department of Safety by furthering a campaign of education in traffic safety. The council has reached all parts of the city by causing the installation of traffic safety courses in the schools and securing the coöperation of sixty-four suburban moving picture theatres in the regular showing of safety films. Three radio programs have also been arranged in the current year's schedule. The organization has backed a compulsory inspection ordinance and the institution of a permanent motor vehicle inspection bureau. The city has given the Traffic Safety Council an office in the City Hall, has appropriated funds for educational campaigns, and invites the study of highway traffic problems.

In Pennsylvania the city of Pittsburgh has had a thousand Boy Scouts making a traffic survey of the city streets, as a service of value both to the boys and to the city. In the city of Allentown one hundred boys have worked an average of twenty days under the direction of the city health department in improving the appearance and sanitation of Jordan Creek, which runs through the city. It is felt that the boys will have a continued interest in seeing that the stream and its banks are kept clean, as a practical manifestation of civic pride.

Zoning Adjustment Boards for Maine

An act (chapter 127) of the 1939 session of the Maine legislature amends the zoning enabling act so that it is now possible to create a "zoning adjustment" board, and in addition "empower such board to administer the details of the application of the zoning ordinance and regulations in accordance with the rules set forth in the zoning ordinance." The earlier enabling act made no provision for a board of adjustment or appeals, and left the entire administration of the ordinance in the hands of the municipal officials, namely the council or the selectmen of a town. It became apparent that in many instances, the selectmen did not have the time, the continuity of tenure, or the independence necessary for the successful administration of a zoning ordinance.

Orren C. Hormell

Bowdoin College

Interstate Commission Seeks Federal Funds for Delaware River Study

On June 10th the Interstate Commission on the Delaware River Basin, upon which the states of New York, New Jersey, Pennsylvania, and Delaware are represented, requested the federal government to appropriate $400,000 to help finance a comprehensive investigation of water resources in the basin and provide a proper basis for allocation of water to the four states. It is desired to have the National Resources Committee make the study in coöperation with the interstate commission. State appropriations are also being sought.

Lectures on Legal Problems of Municipal Government

The Practicing Law Institute, a non-profit educational institution at 150 Broadway, New York, organized for the benefit of practicing lawyers, will conduct a lecture series dealing with the varied legal problems of municipal government and administrators as a part of its summer session during the last two weeks in July. The lecturers include Corporation Counsel Chanler of New York City and seven members of his staff, also various experts on municipal bonds and lecturers on civil service laws, investigations of municipal corruption, civil liberties, public housing, real estate taxation, foreclosure of tax liens, regulation of public utilities, and the defense of tort claims against municipalities. The lecturers are drawn from governmental and other circles in the state of New York and the federal government.

Police School in Kentucky

Early in June the University of Kentucky and the Kentucky Municipal League jointly sponsored a school for police officers. The number of city and state policemen in attendance was greater than in previous years when similar projects have been undertaken in Kentucky.

James W. Martin
Commissioner of Revenue, Kentucky

Interne Training Course Completed in Washington

On June 3rd forty-one outstanding college graduates completed nine months of practical training in Washington under the auspices of the National Institute of Public Affairs. This group of thirty-two men and nine women is the third selected by the institute in a nation-wide competition based on scholarship, leadership, and interest in government problems. They were assigned as non-salaried observers and part-time workers in various governmental departments, boards, legislators' offices, etc., and also had the benefit of lectures, seminars, and other instruction. Frederick M. Davenport is president and advisory counsel of the institute, Louis Brownlow heads the trustees, and Henry Reining, Jr., is educational director.

Another County Manager in California

Wisconsin and New York Counties Want Manager

By PAUL W. WAGER

A change in Butte County government, sought for more than a year, was partially realized on July 1st with the appointment of a county manager at a salary of $300 a month, by action of the board of supervisors. The manager takes over the duties formerly exercised by the county purchasing agent and becomes the advisor of the supervisors on all fiscal matters. He will be known as an executive secretary. The adoption of the manager plan in the fullest sense would require a change in the charter. An effort a year ago to put the proposition on the ballot met with failure. Instead the supervisors put on a proposition to raise their own salaries to $200 a month and serve full time. This proposal was decisively defeated by the voters of the county.

Manager Plan Urged for Two Counties

Sweeping reorganization of Milwaukee County government, adoption of the county manager plan, and abolishment of most of the elective offices is recommended in a report of the City Club's committee on county affairs.

Major changes recommended are: Reduction of the county board from twenty to nine members, and their election at large by proportional representation; appointment by the board of a county manager to plan, direct, and coördinate the administration of the county government; abolition of the elective offices of county treasurer, county clerk, register of deeds, clerk of circuit court, sheriff, coroner, and surveyor; creation of departments of public finance, public works, public welfare, public records, public safety, and personnel, the department heads to be appointed by the manager and the court clerks by the judges of each court; establishment of the county corporation counsel as an independent officer, like the county auditor.

Amendment of the Wisconsin constitution, which prescribes an inflexible pattern of county organization, would be necessary to effectuate the committee's proposals.

A campaign for the adoption of manager government has been launched by the Democratic party in Onondaga County, New York, by the circulation of petitions for a referendum on the subject. The proposed reorganization provides for a board of ten supervisors elected by proportional representation, an appointive county manager, and six administrative departments.

Memphis Mayor Favors City-County Consolidation

Mayor Overton of Memphis has come out in favor of the consolidation of Memphis and Shelby County. He is not critical of the present government of either political unit. He admits that both have made great progress in the elimination of waste and extravagance and in solving the problems of local government. But he believes that even greater progress would have been made had not the city and county governments been limited by constitutional restrictions, and by county officers created by the constitution which are no longer essential in a thickly populated urban community. While he thinks consolidation offers great possibilities of increased economy and efficiency, he warns that it should not be attempted until the most careful study has been made.

County Reorganization in Pennsylvania Denied by Legislature

The Pennsylvania legislature has adjourned without approving the submission of a constitutional amendment authorizing optional forms of county government. It likewise refused to submit an amendment which if ratified would have resulted in the consolidation of the city and county of Philadelphia.

Reorganization in Los Angeles County

The board of supervisors of Los Angeles County, upon the insistence of the chief administrative officer, has created a new department to be called a Bureau of Administrative Research. To this new division were assigned all the functions performed by the former Department of Budget and Research. The research staff is now a part of the administrative setup of the county, the new arrangement being parallel to that of the Budget Department of the federal government in the President's plan of reorganization.

Legislatures Struggle With Relief Financing

Milwaukee Reduces Interest Rates
New York State Budget Unconstitutional

Edited by WADE S. SMITH

State Finance in South Carolina

Public welfare has been a bugaboo to members of the South Carolina General Assembly who are genuinely concerned about the condition of state finances. The requirements of this new department, for which funds were not available, were outlined in the March issue of the REVIEW. Although the final answer has not yet been written in the revenue and appropriation bills for the next fiscal year, a brief account of the struggle may be of interest to those in other states who are faced with a similar problem.

Early in February an attempt was made in the House of Representatives to allocate $4,000,000 of the revenue from so-called "special" taxes for public welfare. These special taxes are those on incomes, soft drinks, tobacco, beer, wine, inheritances, electric power, etc., which are expected to yield approximately $10,300,000 in the next fiscal year. The tax on whisky and that on gasoline could not well be included for they were already earmarked for purposes other than application to general appropriations. The former is assigned under the constitution to education, and the latter is paid into the separate highway fund for roads. Those who opposed the move saw in it a threat to all other state functions, such as public education, the administration of justice, the state health program, and the administration of essential regulatory bodies. The bill was defeated by a vote of only forty-one to thirty-seven, with forty-six members absent or not voting.

At the instigation of Governor Burnet R. Maybank, a special "Committee of Nine" on taxation and governmental reform was constituted of three lay members, three members of the Senate, and three of the House. On March 15th this group submitted specific recommendations for increasing the general fund by $4,440,000. This would have been accomplished largely by making the counties share the cost of public welfare, by increasing income and liquor taxes, by levying an amusement tax, and by diverting highway funds for general purposes. The committee positively opposed a general sales tax, to which so many states have turned as a way out.

Of particular significance was the committee's criticism that South Carolina is now spending an extremely high percentage of its revenue for highway purposes. The report found in part: "In its fiscal policy South Carolina is analogous to a family with an annual income of $2,000 spending from $800 to $1,000 of it on an automobile. To have raised the amount of money spent by the highway department during these years (1927-1936) would have required an annual retail sales tax of 7.28 per cent based upon retail sales of 1935."

Carefully substituting the word "retention" for the customary term "diversion," the committee recommended the retention of one cent of the gasoline tax and license fees, which would increase by approximately $1,800,000 the funds available for general governmental activities.

This suggested diversion of highway funds readily became the outstanding issue of the present legislative session, for this department is easily the most powerful political influence in the entire setup of state administration and has many friends in the Senate. Accordingly, the Senate finance subcommittee proceeded to scrape here and there to prepare a plan by which it could avert the diversion of the gasoline tax. Within a month it reported a fourteen-point new revenue program, designed to raise $5,875,000. Escaping completely the invasions of this program were the highway department, the utilities, and the property owners. Also, no sales tax was included, although the proposed taxes on automobiles, lubricating oil, candy, cosmetics, etc., would be sale taxes in fact.

The money measure finally adopted by the Senate, however, included a loan of $1,250,000 from the highway department, and an extra cent gasoline tax for general purposes. (The present six cents would still be divided, with five cents to the highway department and one cent to the counties.) These two features of the Senate revenue-raising program were eliminated by the House, as it voted outright diversion of $2,000,000 revenue from motor vehicle license fees and motor transportation fees from the highway department for general purposes.

Retention of the three-mill property tax for education, a boost of the tax on liquor from $.96 to $1.28 a gallon, funding the anticipated $1,000,000 state deficit over a five-year period, and an increase in nonresident tuition fees at state colleges from $150 to $250 were the Senate proposals that were incorporated by the House in its revenue plans.

When the appropriation bill went to free conference, the House amendments had reduced the Senate bill of $15,145,838 to $12,600,000, as against a $10,267,021 measure which had been approved by the House in February. The difference between the two figures was largely an appropriation for public welfare, which had been omitted from the first bill.

The conferees appear to have reached a compromise on all points except whether the final draft should take $2,000,000 from highway funds without strings attached, as the House desires, or should provide for borrowing $1,250,000 from that department. At secret meetings on June 2nd both bodies confirmed their stands, leaving a virtual stalemate.

While the fight over diversion of highway funds has been and continues to be the outstanding issue, the refusal to alter the public assistance program under social security is unquestionably the most far-reaching action of the present session.

James K. Coleman

The Citadel
Charleston, South Carolina

Action on Philadelphia Debt Limits

It is gratifying that the 1939 legislature rejected the proposed constitutional debt limit amendment (Senate bill 170) that was approved by the 1937 legislature, and which could have come before the voters in November had it been approved again, according to the June 6th issue of *Citizens' Business*, published by the Philadelphia Bureau of Municipal Research. It is also gratifying that the legislature approved two new alternative proposed debt limit amendments (Senate bills 49 and 482), thus giving the 1941 legislature a choice for submission to the voters in that year. The rejected proposal is held highly objectionable, for, on the basis of present assessed valuations, it would have increased Philadelphia's general debt limit by $102,130,000 and would have provided an additional $88,855,000 debt limit for sewage treatment works. The proposals passed on to the 1941 legislature are decidedly more conservative: No. 49 would increase the general debt limit by $13,275,000, but would provide no separate limit for sewage treatment work; No. 482 would decrease the city's general debt limit by $41,064,000 but would provide a special $90,324,000 debt limit for sewage treatment works.

In 1941 it will be much easier than now to make a wise choice between these two proposals.

Milwaukee Saves by Financial Planning

A saving of nearly one million dollars in interest on bonds of the new Milwaukee water filtration plant has been reported by the Municipal Finance Officers' Association. This huge saving is possible because the bonds were issued with a callable feature.

Milwaukee issued $3,675,000 in 4 per cent mortgage bonds in 1933 to finance its portion of the filtration plant, and to secure a Works Progress Administration grant of $1,385,000. Instead of selling the bonds to WPA, the city sold them through regular investment channels, subject to call after three years.

About $600,000 of the bonds have been liquidated with funds obtained by setting aside 16 per cent of the water department revenues for this purpose. The city is now liquidating another $320,000 in bonds with water department earnings, and refunding the balance by an issue of $2,280,000 in bonds paying 2⅛ per cent and maturing at the rate of $200,000 a year from July 1, 1940 to 1955 inclusive.

Interest on the new issue will total $446,250 as compared with $1,053,920 had the original 4 per cent issue remained outstanding until the maturity date. The city previously had saved $370,000 in interest by issuing bonds during construction as the money was needed, instead of selling all the bonds at one time.

The call feature in the original bond issue provided that the city pay a premium at the time of the call equal to ¼ of 1 per cent of the principal amount of each bond for each year from the date the bonds were called to the date of maturity. The premiums are payments to the bondholders as compensation for surrendering their bonds before maturity. Total premium payments for the privilege of call on the original bond issue amount to $65,870.

Courts Void New York State Budget

In a unanimous decision handed down on June 22nd the New York State Court of Appeals held unconstitutional some $7,000,000 "savings" made by the Republican majority in substituting "lump sum" appropriations for the "line" appropriations of the executive budget. The decision is regarded by many as a victory for the detailed budget procedure prescribed in the new state constitution ratified by the voters last November, although it necessitates a special session of the legislature, which must adopt a budget conforming to legal requirements prior to the end of the fiscal year on June 30th. The legislature was promptly called and convened June 24th.

The high court noted that its invalidation did not extend to the cuts in state aid for highways and schools, which were made in accordance with the prescribed procedure. The school cut in particular has been meeting with strenuous opposition from school authorities, who in New York City must absorb a net cut of approximately $5,000,000 out of a budget total of nearly $154,000,000, and have dramatized it by announcing the elimination of kindergartens, night schools, etc. Governor Herbert Lehman in his message to the emergency session urged reconsideration of both cuts in state aid.

News in Brief

Solution of the relief problem in **New Jersey** appeared as far away early in July as it was when the state legislature convened in January. A bond issue to cover a part of the costs and proposals to lower the state's responsibility had much backing, but legislators appeared more divided than ever with the lower house still seeking to divert highway bond proceeds.

In **Colorado** the legislature substantially followed the Governor's financial program, appropriating to the state's general fund 35 per cent of the recently enacted state income tax, proceeds of which had previously been returned in their entirety to the counties for school purposes. The "diversion" is held to assure continuation of state support of emergency relief, but complicates the fiscal problems of the local units. The state is also pressing for payment of about $750,000 owed it by the municipalities under a court decision rendered early this year holding that 85 per cent of municipally-collected liquor licenses must go into the state old-age assistance fund. Collection of the money may permit payment of the full $45 per month pension for several months, instead of the much lower sums which have been paid in the past, but it will also unbalance city budgets. Most of the cities, including Denver, had collected and spent the liquor licenses on the assumption that the courts would hold that the allocation of 85 per cent of the licenses applied only to state taxes.

The **New Hampshire** House has approved a judiciary committee report favoring enactment of a bill to establish a state division of municipal accounting within the state tax commission. The division would have power to prescribe uniform accounting procedures, and would publish annual summaries of county, city, town, school and village finances. It would also have the power to make an annual audit of the local accounts every two years, or as often as seemed necessary, and charge the cost to the unit affected.

The **Arizona** legislature passed, after strenuous debate, and the Governor has signed, a bill to rebate interest on delinquent taxes paid before December 4, 1939. The law, which became effective June 12th, applies to all except the 1938 levies, and is estimated to cover about $7,700,000 in tax arrears. Some observers believe that in view of strong opposition reenactment of this type of tax legislation in Arizona is not likely.

The P. R. Lines Hold

Victory in Cincinnati
A Good Vote in Minneapolis
Five Cities to Vote Soon
P. R. in Catholic Ireland

By GEORGE H. HALLETT, JR.

Cincinnati Stands Firm

The largest vote ever recorded in a special election in Cincinnati's history turned out Tuesday, June 6th, to decide the fate of an amendment seeking to eliminate the proportional representation method of electing city councilmen from the Cincinnati charter. It was the second time such an amendment had been offered by the Republican organization, long-time enemies of the charter, a similar referendum in May 1936 having ended unsuccessfully.

Pre-election consensus was that the supporters of proportional representation were making a gallant but futile effort. The fact that the referendum was being proposed at a special election—and of all months, in June, traditional month of graduation, weddings, and vacationing—alone augured success for the anti-P. R. forces.

The Republican machine campaign was strategically organized and carefully staged. Heart of the campaign was a wide-flung appeal subtly linking P. R. with Hitler, Mussolini, and the Communists. Seizing upon the use of the P. R. method for German elections under the Weimar Republic, and in Italy before 1922,[1] Republican organization leaders waged a campaign "For Americans Only." P. R., they said, was responsible for the governmental paralysis which gave Hitler and Mussolini their opportunities to seize power. In addition, they made much of the fact that the local chapter of the C. I. O., currently linked by the Dies Congressional investigation with the Communist movement, was supporting P. R. Climax of the campaign was an appeal to the "traditional racial purity" of Cincinnati, aimed principally at the German vote.

Two of Cincinnati's three daily papers plumped for the amendment and against P. R.: the arch-Republican *Times-Star* and the customarily independent *Enquirer.* The organization work of the Republican machine was more complete than in any recent election. Spearhead of its forces were some five hundred-odd Republican job-holders in the county court house and the state administration. Twenty-one hundred election officials in seven hundred precincts of Hamilton County, wherein Cincinnati is located, each were directed to obtain at least ten pledges of support for the repealer. Six former supporters of the City Charter Committee, principal protagonist for P. R., deserted in the name of Republican organization solidarity for 1940, and gave their names and blessings to the amendment.

Voting, it was freely predicted, would be light. Usual vote at a Cincinnati special election is approximately 45,000-50,000. This figure, it was agreed, would be topped by less than 15,000. "No one's interested" was the universal dictum. Newspaper editors, consciously or unconsciously taking their cue, played campaign stories down; all, that is, except the *Cincinnati Post.* Ten days before election even the most sanguine optimist could see scant hope of defeating the amendment.

Against this background the City Charter Committee and the *Cincinnati Post,* making common cause, linked arms and girded for war. The *Post,* featuring Pendergast and Kansas City, where city management exists without benefit of P. R., worked up a brilliant counter-offensive. The charter group, although quiescent for over a year and a half, and minus the services of its founder, the late Henry

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[1] In each case a party list system quite different from the Hare system of P. R. used in American cities.

Bentley, as well as the financial support of its chief "angel," the late B. H. Kroger, set out to organize in such a fashion as to turn "certain defeat" into victory.

A carefully planned schism in the ranks of the A. F. of L. leaders, reputedly unanimous in hostility to P. R., was seconded by an intensive drive from Labor's Nonpartisan League. Democratic chieftains supposed to be lukewarm on the subject were led into line by the efforts of independent Democratic members of the charter group. A special educational campaign among colored voters had as its objective reduction of the usually tremendous Republican machine majorities there. Two weeks before election 1,500 volunteer men and women workers took the field in a personal vote canvass of the "Charter hilltops." Paid advertising blanketed all daily newspapers to break down the apparent agreement which up to then had killed campaign news.

On the 6th of June the allied front of P. R.'s supporters held firm, despite a sultry, humid day. Men patrolled the polling places and women got out the vote. At 9:30 o'clock, three hours after the polls closed, the leader of the anti-P. R. forces conceded defeat. The final vote: for the amendment, 47,558; against the amendment, 48,300.

So, to the world Cincinnati again sends its message—"What we have, we hold."

Forest Frank, *Executive Director*
Cincinnati City Charter Committee

P. R. Rejected in Close Vote for Minneapolis Board of Education

The first attempt in recent years to introduce the P. R. system of voting in Minneapolis, while defeated at the polls, greatly encouraged its supporters by the surprisingly heavy vote polled for the system.

Submission of P. R. was ordered by the Charter Commission as an amendment to the city charter to provide for the election of members of the Board of Education and was put to a vote at the general municipal election on June 12th. The final vote was 66,108 for the P. R. amendment to 69,753 against. Since the city charter requires that an amendment, in order to be adopted, must receive 60 per cent of the total vote cast, the proposal was several thousand short of the number of votes required.

There was, however, virtually no campaign for the amendment and only one organization, the Charter Union, active in its support. This organization sent speakers to explain P. R. to a few political rallies, distributed 1,500 window cards, and in other ways endeavored to bring P. R. to the attention of the electorate. None of the daily newspapers featured the amendment and it was rarely mentioned in the news stories in a campaign that limelighted some bitterly contested local issues.

Mr. Charles F. Keyes, president of the Minneapolis Taxpayers Association, delivered one radio address explaining P. R. and the Civic Council printed and distributed 30,000 copies of a *Voter's Directory* which analyzed the amendment and briefly explained how the proportional representation system works.

In view of the lack of publicity and educational effort, P. R. supporters are well pleased with the vote, regarding it as an indication that success will attend a future effort to introduce the system in Minneapolis.

Allen H. Seed, Jr.
Executive Vice-President
Minneapolis Civic Council

Waterbury Bill Signed

Governor Raymond E. Baldwin of Connecticut signed the Waterbury charter bill on June 20th. The bill provides for a referendum on the adoption of the charter, based on P. R. and the city manager plan, at a special election on October

3rd. If the vote is favorable the first P. R. election will be held on November 14th.

Three New York Cities Expect to Vote

The P. R. Committee of New Rochelle (Walter M. Hinkle, chairman) has filed its first petitions for a P. R. amendment to the city's manager plan charter and the city council has voted to submit the amendment at the November election without waiting for the supplementary petition which under New York law could force the submission even without council action.

Petitions for a similar P. R. amendment are in circulation in White Plains and will probably be filed before this article appears in print. White Plains, the county seat of Westchester County, presents an exceptionally clear case for P. R. because, in spite of a fairly large Democratic minority, no Democrat has ever been elected to the city council or other local office within recent years. Independent Republicans, Democrats, and the League of Women Voters are working together for the amendment against local Republican organization opposition. There is an informal campaign committee headed by Mrs. William Pepper Marts. The two local newspapers are giving good publicity. White Plains does not have the manager plan and the proposed amendment does not include it.

The Schenectady Citizens' Council for P. R. is also circulating petitions and expects to force another vote on P. R. this fall. The amendment proposed to the Schenectady manager plan charter is almost identical with the one narrowly defeated at the polls after its legality had been upheld in the courts last fall, but it leaves the total membership of the council at seven instead of proposing an increase to nine. The first gun in this year's campaign was a well attended debate on March 26th before the Empire State Town Meeting at Union College between Richard K. Hamlen, chairman of the Citizens' Council for P. R., and Louis M. Killeen, the Schenectady delegate to last year's constitutional convention who proposed the statewide ban on P. R. rejected by the voters overwhelmingly last November.

Chicopee, Massachusetts, May Vote Next Year

Former Alderman George Simonich of Chicopee, Massachusetts, who led a nearly successful campaign for "plan D," the city manager plan without P. R., last year, has filed a petition with 3,500 signatures for the submission of "plan E," the manager plan with P. R. A petition for "plan B," the mayor and council form of government, had been filed earlier, however, and the optional city government law does not permit more than one plan to be submitted at the same time. Mr. Simonich has attacked the legality of the Plan B petitions. If the state ballot law commission rules out the earlier petitions, plan E will go on the ballot at the state election next year, but otherwise it will have to wait till 1942. Chicopee is an industrial city near Springfield with 43,930 population, according to the 1930 census.

P. R. in Catholic Ireland

> *In view of recent interest in P. R. in Catholic circles in the United States, the following article has been contributed by the secretary of the British P. R. Society, whose aid was sought by Irish authorities in connection with the introduction of P. R. in Ireland many years ago and who has followed electoral matters in that country closely ever since.*—EDITOR.

Eire, formerly the Irish Free State, is a Catholic nation; it has used proportional representation for many years; its experience is of special value to all, to Catholics and Protestants alike.

In 1937 Eire adopted by popular vote a new constitution. This constitution begins with these words: "In the name of the Most Holy Trinity . . . we, the people of Eire . . . seeking to promote the common good, with due observance of prudence, justice, and charity . . . do hereby adopt, enact, and give to ourselves this constitution."

The constitution also declares that the state recognizes the special position of the Holy Catholic Apostolic and Roman Church as the guardian of the faith professed by the great majority of the citizens.

Proportional representation by means of the single transferable vote, no longer an ordinary law, is part of this constitution: its use is prescribed for the election of: (1) the President, (2) the House of Representatives (Dail Eireann), (3) the Senate. Proportional representation was given this special recognition because it had been an acknowledged success; it has been used continuously for all local elections from 1920 and for parliamentary elections from 1922.

In the three largest cities—Dublin, Cork, Limerick—proportional representation is combined, following the American example, with the city manager plan.

Mr. de Valera, the head of the government (Prime Minister) of Eire for seven years, and a devout Catholic, has a keen sense of justice. In 1927, speaking in the Dail, he said:

> From the outset he had led Sinn Fein in accepting P. R. on the ground that it was just. That was his view, even though the system was being introduced to destroy Sinn Fein. Now also, though all the indications showed that Fianna Fail (the de Valera party) would be the majority party after the next election, he stood for proportional representation.
>
> He would never say that minorities should be denied representation, and if the object of those who advocated the abolition of P. R. was to wipe out minority representation they would get no support from him.

His last public declaration on this question was made in a press interview in October 1938. Speaking of the partition of Ireland, he said:

> If I could have my own way, I would have immediately a single All-Ireland Parliament, elected on a system of proportional representation so as to be fair to minorities.

Mr. de Valera not only used his influence to make P. R. part of the constitution of Eire; he now desires to extend its use, to apply it to the election of a Parliament for All-Ireland.

Northern Ireland has a separate Parliament. The majority in this part of Ireland had always been opposed to proportional representation, and, having the power to do so, this majority abolished the use of P. R. for municipal elections in 1922 and for parliamentary elections in 1929.

A statement of protest against the abolition of P. R. for municipal elections was issued by His Eminence Cardinal Logue, Primate of All-Ireland; the Archbishop of Armagh; and the Bishops of the Heirarchy of Ulster.

This protest began:

> It is doubtful whether in modern times any parallel can be found for the way in which the Catholic minority in the North of Ireland is being systematically wronged under the laws of the Northern Parliament. · Proportional representation, as enacted by the 1920 act to protect the minority, is abolished, or being abolished, and the constituencies have already been shamelessly gerrymandered.

Mr. Joseph Devlin, M. P., at that time the political leader of the Catholics in Northern Ireland, joined with many others in further protests and, speaking in the House of Commons, on its abolition for parliamentary elections, said:

> You [Great Britain] gave us [the minority] representation as one of your guarantees. . . . That safeguard has been removed. I was not a proportional representationist myself until I saw it enacted, but the results of proportional representation in Northern Ireland were the greatest possible vindication of it, because it not only gave the minority the representation

> to which it was entitled, but it enabled the people to return men of distinction of various classes. Before it was abolished, we had an excellent little Parliament in Northern Ireland.

Canon Luce, a Protestant living in Eire and professor of moral philosophy at Trinity College, Dublin, gave expression last year to views very similar to those expounded in the House of Commons by Mr. Joseph Devlin, a Catholic living in Northern Ireland. In a letter written to the *Irish Times* a few days after the general election of 1938, Canon Luce gave a considered judgment on the effects of P. R. in Ireland:

> To this well tested instrument of enlightened democracy, we all, irrespective of class, creed, and party, owe far more than we sometimes realize. Old political feuds are dying; public spirit is replacing faction. The voice of reason is heard, and the gun is silent. P. R. has been a healing force in our midst.

A reform in respect of which these words can be said, and truly said, a reform which gives justice, defeats monopoly, and enlarges citizenship, is a reform worthy of the support of every democratic community.

John H. Humphreys

New Uses of P. R. for Private Organizations

The Connecticut Merit System Association, a state-wide citizens' organization of about three thousand members devoted to the advancement of the merit system in the civil service, has just made an interesting application of the P. R. principle to the election of its governing body. The association's constitution provides for election of the council at the annual meeting. Ordinarily a nominating committee has brought in a slate, which was accepted without opposition at the meeting. This year all members of the association were invited to participate, whether they attended the annual meeting or not. The state was divided into districts to which council members were apportioned on the basis of one for every forty members of the association (except that each district was entitled to at least one). Waterbury, the largest chapter, elected fourteen members on the basis of a membership of about 550. In the smaller districts all members were regarded as nominees. In the larger districts nominations were invited from the members and those receiving most mentions up to an agreed number in excess of the number to be elected, were put on the ballot. The ballots were cast and publicly counted according to the Hare system of P. R. Those elected were then accepted by the nominating committee and ratified at the annual meeting in June. This plan was developed by William F. Burke of Waterbury, a vice-president of the association.

About 800 ballots were returned out of 2,700 mailed out, and of these only ten were invalid. This is a new high mark in member participation in the elections. Last year only about 300 were able to attend the annual meeting and vote. The election brought many new faces into the council and at the same time retained the active leaders who had built up the association. Laurence O. Smith, executive secretary of the association, writes that the psychological effect of electing the council in this way has been excellent. A full account of the election will be carried in *The Merit Man,* organ of the Connecticut Merit System Association (152 Temple Street, New Haven), for July.

The Monmouth Council, Number Nine, of the New Jersey Civil Service Association, an organization with aims similar to those of the Connecticut Merit System Association, recently adopted P. R. for the election of its executive committee and elected twenty-five committeemen by that system for the first time on April 4th. The executive committee elects the officers, also by the Hare system.

Another civic organization to adopt

P. R. recently for its own elections is the Toledo City Manager League. The League is the organization which led the successful campaign for adoption of P. R. and the city manager plan in 1933 and two successful charter defense campaigns since. Its nonpartisan candidates were elected to a majority of the places on the city council at each of the two P. R. elections so far held in Toledo. Early this year it used the election of five new directors from a slate of ten as the occasion for a public demonstration of a P. R. count.

The New Jersey Federation of Consumers' Coöperatives has elected its board of directors by P. R. for the last three years. Jerome M. Ludlow, president, explained the use of P. R. by saying that "consumers' coöperatives are the very essence of democracy and use every device possible to keep themselves so."

The spread of P. R. in college elections continues. In February the student body of Muhlenberg College, Bethlehem, Pennsylvania, adopted almost unanimously a new constitution and by-laws providing for the election of a student council of nine by the Hare system of P. R. and the selection of officers from the membership of the council. The Hare system is to be used for all college elections.

In May the new Queens College, established under the Board of Higher Education of New York City, used P. R. for the election of its student council. Professor Phillips Bradley reports that the student body is enthusiastic about the P. R. method.

The annual report of the British P. R. Society for the year 1938-39 gives the following summary of the present status of P. R. in private organizations in England, Scotland, and Wales:

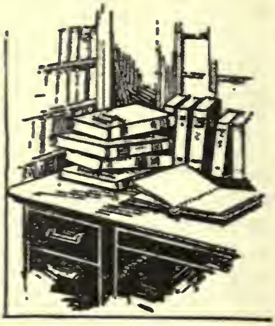
"Each year witnesses some extension of the use of the transferable vote in the election of officers and committees by societies and organizations. The most important addition to the list this year is the National Union of Townswomen's Guilds, which has adopted the transferable vote for the election of ten regional representatives upon the executive committee.

"Bedford College for Women is added to the number of colleges of which the Students' Union elects its executive by proportional representation.

"The organizations which now use the single transferable vote either for the election of individual officers by a majority vote, or of committees by proportional representation, include the following:

"The National Union of Clerks, the National Union of Journalists, the National Union of Railwaymen, the National Union of Teachers, the National Union of Townswomen's Guilds, the Northern Colliery Officials' Mutual Aid Association; the Royal Arsenal Coöperative Society and other coöperative societies, the West Wales District Association of Coöperative Societies, the Coöperative Wholesale Society; the Baptist Union, the Congregational Union of England and Wales, the London Congregational Union, the Congregational Union of Wales, the London Missionary Society, the Woolwich Association of Brotherhoods; the London Liberal Federation and other liberal federations, the National League of Young Liberals; the Students' Unions of the Universities of Oxford, Cambridge, and Leeds, of Bedford College for Women, and of the London School of Economics, the Indian Students' Union of the University of London; the Engineers Section of H.M. Office of Works, the Association of H.M. Inspectors of Taxes; the Building Societies Institute, the Dental Board of the United Kingdom, the Educational Institute of Scotland, the Independent Order of Rechabites, the Social Credit Secretariat, the Warrington Teachers' Association, and the Rotary International: Association for Great Britain and Ireland."

Recent Books Reviewed



EDITED BY ELSIE S. PARKER

The City—A Study of Urbanism in the United States. By Stuart Alfred Queen and Lewis Francis Thomas. New York City, McGraw-Hill Book Company, Inc., 1939. xv, 500 pp. $4.00.

When the cornerstone of the Chamber of Commerce building in Cincinnati was laid, the young women of the office force were permitted to give a message to posterity in the box placed in the corner-stone. Posterity has been tipped off as to what it may contain, for one stenographer, led to believe a certain wily reporter was enamoured of her, has let it be known that the words in the envelope are these: "Can you find a place to park?" So transitory are the meaning of words that it would be wise to dig out the stone and place a copy of this book therein. It would provide the key in the year 3000 not only to the meaning of the message which then may otherwise be inscrutable, but to hundreds of other problems which are the tremendous, but we hope transitory, results of the first stages of power machine civilization.

For the power machine created cities as we know them and the chapters on prediction and control are not too sure they will survive as they are. What is the force that will change them? The development of technology plus the same "unknown" that brought megalopolis into being—man.

In part III the authors have done a very good job dealing with the people of cities, but to this reviewer chapter XXI is the most significant in the book. It deals with the emotional problems that the people of cities must face and the writers pass from that to the chapters on planning. One gets the feeling that planning is not yet done in creative joy but through a mood—the mood that leads a Parisian to refer to a restaurant check as "la malheuresement."

Written by sociologists, the book is particularly of value to those who need to remind themselves that the city is not seen in its buildings and maps but in the major outlines of the behavior patterns of those who exist within it. The words first put down were "those who live within cities," but the number of people who deserve the use of the word "live" in its full meaning are still far too few.

The last two chapters are a splendid challenge to young men and women to strive, and share their striving, in any of the ten major ways by which, through their collective effect, we can really *live* in cities.

WALTER J. MILLARD

Urban Government. Volume I of the Supplementary Report of the Urbanism Committee to the National Resources Committee. Washington, United States

Government Printing Office, 1939. v, 303 pp. Fifty cents.

It may be that history will set against the name of the National Resources Committee an appellation hardly to have been expected when that body was created—textbook maker. Perhaps the phrase should be set in scarlet, for these are no ordinary textbooks which the committee is producing, but inexpensive compendia of well written, well digested, well selected, useful information. It may be a narrow view to take of this 303-page report on *Urban Government,* but if college students of government know what they are doing, they will bring pressure on their professors to substitute this fifty-five-cent volume sponsored by a glittering board of authors for some five- or six-dollar standard work.

To the thoroughly informed, much of the information contained in the book will be old hat. It is, however, old hat with a new spring ribbon, which is to say with plenty of tables, collected to be sure from fairly well known sources, and in good literary style. There are five parts: Development of Urban Government, by Albert Lepawsky; Federal Relations to Urban Governments, by Wylie Kilpatrick and staff; Federal Reporting of Urban Information, by the Urbanism Committee itself; Associations of Cities and of Municipal Officials, by Harold D. Smith; and Public Safety, by Louis Wirth and Marshall Clinard.

The sections on federal relations and federal reporting are most interesting, for they throw the light of many details on the rapidly developing and until recently neglected (by scholars) field of federal-municipal relations. That the Urbanism Committee should have made eight recommendations "within the competence of the federal government" is in itself a matter to give one pause. If the state is the father of the municipality, then it looks as if the federal government is getting ready to declare itself godfather.

M. R.

Which Way, America? By Lyman Bryson. New York City, The Macmillan Company (The People's Library) 1939. 113 pp. Sixty cents.

The People's Library is an experiment in adult education. Based on the conviction that a well informed citizenry is the backbone of democracy, it is directed to that large section of our population which, according to its editors, now gets most of its information on current affairs from the newspapers and weeklies.

The volumes published this spring cover such diversified subjects of popular interest as popular psychology, ethnology, and home decoration. Others planned will take up public health, criminology, and general science. These books do not deal with the research branch of education. They do not seek to present new facts or theories. Rather, they are intended to present well established material on subjects of current interest and to present it in a style so clear and readable that the millions of people who now shy away from books will be attracted to them.

Mr. Bryson's *Which Way, America?* complies with all the conditions set down by the People's Library for its publications. It is clear, written in an understandable style, and while it presents no new material, the old material is set forth in an orderly and well organized fashion seldom found in books dealing with the complex systems of government under which Russia, Germany, and Italy are operating today.

In effecting this truly amazing job of organization Mr. Bryson has not been guilty of over-simplification, the trap into which so many authors fall when writing for popular consumption. As nearly as possible for a confirmed believer in democracy, he has presented a well balanced picture of the Communist and Fascist philosophies and contrasted them with democracy as we know it in the United States.

If this little book is typical of the work of the People's Library, we can look forward to the series performing a useful and much needed service in the defense of democracy.

R. M. W.

New York Advancing. World's Fair Edition. Edited by Rebecca B. Rankin. New York City, Municipal Reference Library, 1939. xxvi, 270 pp. Fifty cents.

Although this voluminous report was "arranged from the viewpoint of the visitor to the World's Fair," it is doubtful whether it will be read so much by out-of-town gapers at Grover Whalen's Never-never-land as by serious-minded New Yorkers in need of a reference book.

The style is by no means that of orthodox annual reports. More like a familiarly written text book designed for the intelligent high school student or adult, the aim has been to give the story of everything that is done by the government of the largest city in the world.

The chapter headings are one of the most interesting features of an interesting book: City Planning, Safety, Living Conditions, Recreation, Education, Making and Enforcement of Law, Personnel, Business Management, New York World's Fair and the City of Tomorrow, and Statistics.

The art work is also notable. There are plenty of the orthodox bridge-in-process-of-construction, aerial-view-of-new-park type of photographs, but the editor has also included some colorful water colors dealing with such homely subjects as "Staten Island ferry."

M. R.

American Government. By William Anderson. New York City, Henry Holt and Company, 1938. vii, 1080 pp. College edition, $3.75; Trade edition, $5.00.

This textbook, by the chairman of the Department of Political Science of the University of Minnesota, covers the complete story of the three branches of our government from their early beginnings to the present and gives a clear picture of American democracy in action. It affords a realistic understanding of how the government of this country actually operates. The author has not discussed each layer of government as a separate unit, but has divided his text along functional lines with the result that greater opportunity is afforded to deal with the growing relations between the three levels of government and to draw comparisons. This arrangement also makes for easier reading and for a clearer picture of governmental operations as a whole.

Schools and City Government. By Nelson B. Henry and Jerome G. Kerwin. Chicago, University of Chicago Press, 1938. xi, 104 pp. $1.50.

This volume discusses the question, "Should schools be administered under an authority entirely free from the control or influence of local public officials, or is effective administration best obtained by the closer coördination of schools and municipal government?" The data presented covers the school systems of all cities of 50,000 and over. The study was made coöperatively by members of the Departments of Education and of Political Science of the University of Chicago.

The authors have found that there is "continuous and increasing coöperation between the cities and the schools" which might eventually "bring about a practical coördination of the organized efforts of the two corporations to provide an adequate program of public service for the communities which support them." Strong sentiment exists, however, in favor of the complete separation of city and school, due largely to the belief that complete coordination of the two units will subject schools to the influence of organized politics. On the whole, the authors find numerous opportunities for, and advantages of, coöperation between the school and the municipality.

Additional Books and Reports Received[1]

Civil Service

Civil Service for Policemen in Minnesota. By Marcus Gordon. Minneapolis, League of Minnesota Municipalities, 1939. 16 pp.

Classification of City Positions and Compensation Schedules and Proposals for a Personnel Bureau and Merit System for Employees of the City of New Haven. New Haven, Connecticut, New Haven Taxpayers, Inc. 1938. 267 pp. mimeo. $3.50.

Oral Examinations in Civil Service Recruitment—with special reference to experiences in Pennsylvania. By W. V. Bingham. Chicago, Civil Service Assembly of the United States and Canada, 1939. 30 pp. Fifty cents.

The Fight for Superannuation. By L. Hill. London, National Association of Local Government Officers, 1939. 39 pp.

Education

Education within Prison Walls. By Walter M. Wallack, Glenn M. Kendall, and Howard L. Briggs. New York City, Bureau of Publications, Teachers College, Columbia University, 1939. x, 187 pp. $2.25.

Forum Planning Handbook. How to organize school-administered forums. By John W. Studebaker and Chester S. Williams. Washington, D. C., Federal Forum Demonstrations, 1939. 71 pp.

Radio in Education. By Federal Writers' Project, Works Progress Administration, Commonwealth of Pennsylvania. Harrisburg, Department of Public Instruction, 1939. 52 pp. illus.

Social Services and the Schools. By Educational Policies Commission. Washington, D. C., 1939. xi, 147 pp.

Housing

Housing and the Home. By Hazel Shulz. New York City, D. Appleton-Century Company, 1939. ix, 420 pp. illus. $2.00.

Housing for the Machine Age. By Clarence Arthur Perry. New York City, Russell Sage Foundation, 1939. 261 pp. illus. $2.50.

Managing Low-Rent Housing. A Record of Current Experience and Practice in Public Housing. (Based on Lectures and Discussions at the Management Training Institute, Washington, D. C., 1938). Chicago, National Association of Housing Officials, 1939. v, 289 pp. mimeo. $2.00.

Municipal Government

Illustrative Materials in Municipal Government and Administration. By Charles Kneier. New York City, Harper & Brothers, 1939. xix, 632 pp. $3.50.

Municipal Government and Administration in Tennessee. By Lyndon E. Abbott and Lee S. Greene. Knoxville, University of Tennessee, Division of University Extension, 1939. 128 pp.

300,000 Guinea Pigs (Story of Toledo's Revival). By Forrest Davis. Toledo, Ohio, Toledo Associates, 1939. 31 pp.

Public Health

California Health Insurance Plans. By Warren H. Pillsbury etc. San Francisco, The Commonwealth Club of California, 1939. 41 pp. Twenty-five cents.

Community Health Organization (Third Edition). Edited by Ira V. Hiscock. New York City, The Commonwealth Fund, 1939. xvi, 318 pp. $2.50.

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[1] See also "Research Bureau Reports Received," page 542.

Public Utilities

Cases on Public Utility Regulation. By Irston R. Barnes. New York City, F. S. Crofts & Company, 1938. xx, 984 pp. $7.00.

Taxation and Finance

A Study of Physical Assets, Sometimes Called Wealth, of the United States, 1922-1933. By Rev. Edward A. Keller, C.S.C. Notre Dame, Indiana, University of Notre Dame, 1939. 140 pp.

Bridge Revenue Bonds. By Robert Klaber. New York, 1939. v, 82 pp. $1.00. (Apply to author at 285 Madison Avenue, New York City.)

Interstate Tariffs. By Tax Policy League. New York City, 1939. 17 pp. mimeo. Twenty-five cents.

Pertinent Financial Data, City of Baltimore, as at January 1, 1939. By Commission on Governmental Efficiency and Economy, Inc. Baltimore, Maryland 1939. 16 pp.

Tax Delinquent Land in California. A review of the problem and a plan for its solution. California State Planning Board. Sacramento, California, 1938. xiv, 89 pp. mimeo.

Public Welfare and Relief

Depression Pioneers. By David Cushman Coyle. Washington, D. C., United States Government Printing Office, 1939. 19 pp.

Need and Method of Securing Additional Revenue for Relief in Illinois. By Social Welfare and Taxation Committees. Chicago, City Club of Chicago, 1939. 7 pp.

State Public Welfare Legislation. By Robert C. Lowe. Washington, D. C., United States Government Printing Office, 1939. xv, 398 pp.

LEGISLATIVE HIGHLIGHTS

(Continued from Page 517)

exceptions, however, the state legislatures from the standpoint of results, resembled the present "do nothing" session of Congress, without the European sideshow to make them interesting. A few important laws were enacted and a few repealed. The sessions were distinguished, rather, by what they did not do and by the fact that the state solons marked time, with some emphasis placed on correcting noticeable abuses and considerable attention devoted to improving administration through amendment to existing laws.

Change in the political party in power in nearly a third of the states, plus a growing consciousness that money spent today must be repaid, placed legislative emphasis upon economy in government, with some immediate success. Next in the interest of the law-makers ranked provisions for old-age security. Both subjects are strongly indicative of the trends of interest of legislatures of future years. The shift in age level of the population which the country is now undergoing presages a time within our own century when it will become a nation of old people, rather than a nation of youth. It might be debated whether added years will lend increased wisdom to the decisions of these future solons, but a definite statement can be made that they, too, will worry over how to provide more money for the care of the aged, and at the same time cut government expenditures.

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NATIONAL MUNICIPAL LEAGUE

National Municipal Review

Editorial Comment

Every Picture Tells a Story

SO MANY of the books and articles about political corruption have been based on the careers of men who long ago served their prison terms or went to pretentious graves that we are apt to be lulled into the belief that all this is a thing of the past, along with the high-wheeled bicycle.

But it isn't so. Vote-buying and bribery still flourish. There are plenty of places where "voters" are imported. While illegal acts which have the effect of nullifying our democratic processes are matters of general knowledge in more than a few communities, shrewd politicians cover their tracks so well that sufficient proof for successful prosecution frequently is lacking.

Those who wish to safeguard the honesty of elections might take a tip from the labor unions, some of which have armed their picket lines with those little cameras which click off many pictures on strips of film as fast as the shutter can open and close. It's difficult to argue down a photographic record, and anyone engaged in extralegal activities around a voting booth is pretty sure to be camera-shy.

"The Most Feathers"

ABOUT half of the states have adopted tobacco taxes, some of them high as compared with those of neighboring states.

Now we hear threats of prodigious fines and other penalties against anyone guilty of "smuggling" cigarettes from a taxless state to a taxing state. Iowa promises to levy a penalty of fifty dollars a package on anyone possessing more than two packages which lack the state stamps. New York City, in which there is a one-cent city tax and a two-cent state tax, infers darkly that it might slap fines totalling $1,650 and jail sentences totalling more than six months on any rapscallion commuter who brings a carton in from across the river in New Jersey even if he does so only as a favor to an office associate.

The possibilities are breath-taking. About a million commuters rush into New York City every morning and out again every night, a large proportion of them from the states of Connecticut and New Jersey. It is difficult to imagine just how "smuggling" can be prevented. Will there be customs gates at which all these people will stop to have their baggage and persons searched by a prohibitively costly collection system? Might the situation become a duplicate of the prohibition era?

It might be easier and cheaper in the long run to further the idea of tax policies formed on a nation-wide or regional basis and the genuine elimination of interstate trade barriers.

There is little profit in arguing that temporary emergency taxes for specific purposes have a chronic tendency to become permanent and for general purposes. The cold truth is that municipalities and other units of governments are having more rather than fewer jobs to do and they are constantly driven to find new sources of revenue wherever they can and as quickly as they can.

In the case of the cigarette tax, the experts will soon be laying figures end to end to show how many cigarettes are bought on the other side of the border. But harassed legislative bodies, seeking means of footing the bill for demanded services, will wish for the integrated tax program the experts advise but will still adhere, from necessity, to the ancient concept that the art of taxing is like plucking a goose—the art of getting "the most feathers with the least squawk."

New League Headquarters

As announced in the January issue of the Review, the League must vacate its present offices because the new vehicular tunnel under the East River will cut through its present quarters. Accordingly, our new address, beginning August 1st, will be 299 Broadway, New York City. Members and friends of the League are urged to pay the new offices a visit when in the vicinity.

Training for Public Service: University of Chicago

By **LEONARD D. WHITE**, *University of Chicago*

> ***"There is need for much experimentation and probably need for continuing variety in the methods of education and training for public service."***

THE nature of the work in the field of public administration at the University of Chicago and its relationship to the training of young men and women for the public service are largely governed by the general objectives of the University. Since its foundation the University has given principal emphasis to its responsibilities for research and for education on the graduate level for the various professions. Training in the vocational sense has never played a prominent part on the campus and the trend is away from the vocational aspects of education at the present time. The most recent indication of this tendency is the revised curriculum of the University Law School, introduced this year, which lays much emphasis upon economics, psychology, and government as well as the broader aspects of jurisprudence. Of the various graduate schools the work in the School of Social Service Administration has perhaps been most definitely vocational in nature, a situation growing out of the present crisis in the welfare field.

Work in public administration is offered in various departments and schools of the University. Thus, in addition to the training in public welfare administration offered by the School of Social Service Administration just referred to, work in educational administration is given by the Department of Education, work in public finance is given by the Department of Economics, the study of administrative law is carried on principally in the Law School although to some extent in the Department of Political Science, the work of the regulatory commissions is analyzed in the School of Business, as well as in the Department of Political Science, while central management problems have been developed principally in the Department of Political Science.

Within the Department of Political Science, public administration is recognized as one of the five principal fields into which the subject matter of government is divided for teaching and research purposes. These fields are political parties and public opinion, public administration, theory, international law and diplomacy, and public law and jurisprudence. The general objectives of the Department of Political Science have been stated in the following terms: to train students for research in political science; to prepare students for teaching positions in universities, colleges, and junior colleges; and finally to lay the broad foundation for successful work in political and civic leadership and in the higher civil service.

The general objectives sought by training in public administration at the University of Chicago are consequently to develop a broad understanding of and insight into governmental management, to secure an appreciation of long-range trends and significant problems, and to cultivate an appreciation of the basic forces and pressures which govern the course of administration and which largely give form and substance both to administrative problems and to their solution. The university is concerned not only with describing and analyzing the administrative system but seeks also to ascertain why the system is what it is and what the circumstances are which will probably mold its future form in succeeding years.

INSTRUCTION GENERAL

Instruction in the subject matter of public administration consequently tends to overlook the specific work of the various line departments in favor of more general considerations. To this observation an exception should be made for the instruction carried on in the School of Social Service Administration and for the work in educational administration carried on by the Department of Education.

Returning to the courses offered by the Department of Political Science, it may be said that they are designed primarily for other purposes than the preparation of men and women for specific governmental positions or types of positions. At the same time the generality of the subject matter of these courses is tempered by the practical experience which the members of the department have acquired—Clarence E. Ridley as a former city manager, Simeon E. Leland as a member of the Illinois Tax Commission, Floyd W. Reeves as former personnel director of the Tennessee Valley Authority, Marshall E. Dimock as assistant secretary of labor, and Leonard D. White as former member of the United States Civil Service Commission.

Close relations are maintained with the group of organizations of public officials at 1313 East 60th Street, Chicago: Public Administration Clearing House, the International City Managers' Association, the Civil Service Assembly, the American Public Welfare Association, the Municipal Finance Officers' Association, the Council of State Governments, and others. Several members of the staff of "1313" are members of the Department of Political Science or of other departments or schools of the University: Louis Brownlow, Lyle Belsley, Carl Chatters, and Herbert Emmerich in the Political Science Department; Frank Bane, Fred Hoehler, and Marietta Stevenson in the School of Social Service Administration. From time to time these experts give courses or special lectures which supplement the work of the university in a very practical and helpful manner.

NO INTERNESHIPS

The graduate student body in the field of political science numbers about one hundred of whom perhaps one-third are taking major work leading to the Master's or Doctor's degree in the special field of public administration. About six out of every ten graduates find their careers in teaching in institutions of higher learning; the remainder find positions in public administration or in one of the many quasi-governmental agencies which are concerned with problems of public administration. The university does not have a formal system of interneship as a part of its graduate instruction. The value of such an interneship is undoubted and in one way or another many graduate students in public administration actually serve as apprentices or internes at some stage in their development. In this connection the organizations housed at 1313 East 60th Street have been of great value.

PUBLIC ADMINISTRATION TRAINING

Students who indicate an interest in public service careers are invariably urged not to content themselves with work in public administration alone. They must also become proficient in certain tool subjects, especially statistics and accounting. They are also advised to take work in public finance which is offered by the Department of Economics, as well as a substantial amount of work in the general field of economics. Students interested in public careers in personnel administration are urged to take work in psychology, statistics, and test construction.

With due account of these special directions in which work may be selected for special fields of employment in the public service, it must be emphasized, nevertheless, that training in public administration at the University of Chicago is not designed to prepare men and women for specific administrative positions. A recent statement by the Political Science Department emphasizes this point of view: "The department does not undertake a training program specifically designed to prepare for entry into any specific branch of the public service. The basic training in content and method is however a useful preparation for many of the more responsible posts in the public service. An increasing number of students trained in the Political Science Department are now employed in the public service, not because they were expressly trained for this work but because their graduate studies and aptitudes fitted them for successful service in this field."

There is need for much experimentation and probably need for continuing variety in the methods of education and training for public service employment. The service itself changes from decade to decade, and it is difficult to foresee any single standard pattern which universities can follow. Each institution of higher learning will make its special contribution, now in one form, now in another, depending upon its equipment, traditions, and major purposes, and its understanding of public service needs. It seems certain that collectively they are destined to make a greater contribution in the future than they have in the past, notable as that contribution has been in the scientific and professional branches of government work.

EDITOR'S NOTE.—This is the second of a series of articles on training for the public service. The first, "The Making of a Public Servant," by William E. Mosher, appeared in the June 1939 issue of the REVIEW.

Public Housing Creates a New Profession

By **BEATRICE GREENFIELD ROSAHN**, *Research Associate*
Citizens' Housing Council of New York

Increase in large-scale low-rent housing projects, both public and private, brings demand for men and women, trained in a multiplicity of subjects, to assume the responsibility of their administration.

DURING the past five years this country has witnessed a phenomenal growth of interest in a new sphere of government activity—public housing. The press, the radio, the public platform, each of these agencies has given aid to professional housers in making the American people newly conscious of a century-old problem. The social importance of building decent dwellings for families of low income has been brought home to thousands of men and women who were formerly unaware of or indifferent to the existence of slums. Today, families forced to live in substandard buildings, who were previously unorganized, uneducated, and inarticulate, have begun to make vocal their desire for a better environment in which to bring up their children.

Simultaneously with this growing demand for low-rent housing, and as a direct result of the increasing number of completed projects, there has been developing a new profession—public housing management. Not long ago "housing management" sounded odd and unfamiliar to all but a select few who were active in the housing movement. Today the average reader of a daily newspaper has a fairly accurate conception of what the phrase means.

In this article an attempt will be made to illustrate the growth of housing management as a profession by tracing its course through several channels. There is perhaps no better way to judge the growth of any human activity or to gauge the extent of interest in it than to review the literature that has been published on the subject. Another indication of importance, particularly in academic fields, may be found in the number of courses relating to a subject given in high schools, colleges, or other educational institutions, as well as the student demand for such courses. A third index of vitality in any profession or vocation is the degree of activity among its members as an organized group.

When the first public projects built by the Housing Division of PWA under the original centralized program were under way, it was realized that a serious need would soon be felt for qualified persons to take over the administration of these enterprises. Prior to this time a moderate degree of general interest had been evinced in British methods of housing management, particularly in the Octavia Hill system. Some literature on the subject had been imported from Europe, and in addition there were available a few articles and pamphlets published in this country as well as the annual reports of several limited dividend and philanthropic housing projects then in operation. For the most part, however, there was a dearth of both literature and experience in the management of low-rent housing developments, and there were few men or women sufficiently well trained to take over the administration of public projects. It became increasingly apparent to those on the front line of public housing that something must be done, and done quickly, to recruit and train qualified personnel for housing management.

FIRST TRAINING GROUP

In December 1935 the National Association of Housing Officials, in coöperation with the Housing Division of the PWA and the Resettlement Administration, launched the first Management Training Institute organized in this country. It was conducted for a period of four months and consisted of classroom lectures and discussion, followed by a series of field trips to large-scale private and limited dividend housing projects. About seventy-five men and women attended, many of whom were selected and sent to Washington with definite commitments from local advisory committees. A few staff members of the management branch of the PWA Housing Division and of the Resettlement Administration were in attendance and assisted NAHO in various details of the course.

It was anticipated that all those at this first institute would be placed on public housing management staffs. It is gratifying to report that many of the students are today in charge of going projects and have themselves assumed positions of leadership in the field.

When the United States housing act was approved on September 1, 1937—the act that established the United States Housing Authority and provided for a decentralized housing program with an appropriation from Congress of $800,000,000—housing ceased to be a temporary emergency relief measure and became a long-term legitimate responsibility of government. This great event in the history of public housing immediately intensified the need for trained persons to assume responsibility as housing managers, and again plans were under way for a training course under official auspices. A two-weeks institute was organized and conducted in Washington, D. C., during the summer of 1938 by the National Association of Housing Officials with the close coöperation of the United States Housing Authority and local authorities throughout the country.

About one hundred men and women attended, most of whom were either on the management staff of public projects, had definite assurances that they would be appointed, or were holding positions as secretaries of local housing authorities. The lecturers included many leading figures in the field of housing management, both public and private; the discussions centered largely around problems involved in administering publicly-owned and operated developments. The institute was under the direction of Abraham Goldfeld, who for ten years has been manager of Lavanburg Homes[1] and active in many other branches of the housing movement. The lectures and discussions were later edited and now constitute one of the best available publications on the subject of low-rent housing management.[2]

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[1] A low-rent philanthropic project on the Lower East Side of New York.

[2] *Managing Low-rent Housing,* published by National Association of Housing Officials, Chicago, Ill., 1939. 285 pp.

This summer a third Management Training Institute is being given under the auspices of New York University in coöperation with NAHO and with the assistance of staff members of the United States Housing Authority. This four-weeks institute will be divided approximately equally between lectures, discussions, and field work in large-scale housing projects now in full operation. It was made possible by a special grant from the Lavanburg Foundation of New York, and is open to members and staff employees of local housing authorities; persons recommended by the authorities as possible future employees in management or other phases of their work; those actively interested in large-scale housing developments undertaken by private, limited-dividend companies, coöperatives, the Farm Security Administration, and other private, public, or semi-public agencies.

Courses dealing with housing management have been given within the past few years as part of the regular curriculum in several New York colleges and schools. One of the most comprehensive was offered by the Division of General Education of New York University in coöperation with the New York City Civil Service Commission and the New York City Housing Authority in the winter of 1937-1938. Planned as a background course for men and women who contemplated taking civil service examinations for positions on the management staff of the Housing Authority, it consisted of fifteen lectures given by as many leading personalities in the field. In addition a number of field trips were arranged to large-scale projects within Greater New York.

MANY PEOPLE INTERESTED

Almost two thousand individuals registered for the course, one of the largest classes ever assembled in the university, although less than one hundred public housing positions were available under the civil service at that time.

During 1938 and 1939 a course entitled "Problems of Administration in Large-scale Low-rent Housing" was given at New York University by Frank C. Lowe, manager, and Louise Blackam, recreation consultant, of Hillside Homes. The lectures covered the major features of housing management such as problems preceding the opening of a project, selection of tenants, administrative organization, personnel, operating budget, collection of rents, legal actions, maintenance of service, furtherance of community activities, the social program, responsibility of management and tenants. About fifty students attended each session, some of whom subsequently took civil service examinations. During this period a special course of lectures on problems of the building superintendent in a housing project was also given at New York University.

Another practical series of lectures on housing management was given during the past winter at the Rand School of Social Science in New York City, in preparation for new civil service examinations with the local housing authority.[3] The course dealt specifically with legislation relating to housing, with problems of occupancy, personnel, financial administration and leasing, and with the social aspects of housing management. The lecturers throughout this series were George A. Boehm, architect, H. Robert Mandel, who is active in real estate and housing circles, and Abraham Goldfeld.[4]

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[3] New York City was the first in the country to bring public housing personnel under civil service. The first examinations were given in July 1938, and placed the

The interest in and demand for courses of training in housing management have been so great in recent months that many schools and colleges in other parts of the country now contemplate offering such opportunities in the near future. In the South definite plans are under way for a Management Training Institute at the Xavier School of Social Work for Negroes in New Orleans.

At Columbia University, at the New School for Social Research, at Hunter College, and other institutions in New York City, where general housing courses are given, at least one session is devoted to a discussion of management problems, and the likelihood is that more time will be set aside for this purpose in the future. Another interesting innovation under NAHO is the present plan for three-day regional institutes to be held in different parts of the country at which active housing managers can exchange notes on experience and problems.

The striking increase in the amount of published literature on housing management well reflects the general trend here outlined. It is particularly revealing to compare the length of a bibliography appearing at the end of an early pamphlet[5] with a recent bibliography issued by the Citizens' Housing Council of New York.[6] The first contained thirty-five references to literature published both here and abroad. The recent bibliography covers nine and one-half pages and includes almost two hundred references.

GROUP ACTIVITIES

There now remains the third index of growth in this new profession. During the past two years project managers and others associated with the work have organized committees and special groups to engage in research and other educational enterprises for the advancement of knowledge in this branch of housing. One of the most active of these has been the Committee on Housing Management of the Citizens' Housing Council of New York, composed of nineteen experts in the field. In June 1938, following a year of intensive study of management problems relating especially to low-rent housing, the committee issued a report containing many important recommendations some of which have since been adopted by official housing agencies.[7]

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following management positions under the merit system: director, bureau of tenant relations, director of plants and structures, building managers, building superintendents, and management assistants. Detroit, Michigan, has also placed public housing personnel under the civil service and several other cities are now taking steps to do so.

[4] All actively associated with the Citizens' Housing Council of New York.

[5] *Housing Management—Its History and Relation to Present-Day Housing Problems,* by Beatrice Greenfield Rosahn, published by National Municipal League, New York, 1935. 32 pp.

[6] *Bibliography on Housing Management,* Citizens' Housing Council of New York, 470-4th Avenue, New York, 1939. 10 pp.

[7] *Report and Recommendations of the Committee on Housing Management,* Citizens' Housing Council of New York, June, 1938. 49 pp.

This year the committee has been occupied with three highly worthwhile research projects. One of these, completed recently, culminated in the widely praised Exhibit on Planning for Low-cost Management which has been displayed both in New York City and in Washington.

STUDY PROJECTS

A second study which promises to reveal some highly interesting facts when it is completed is being pursued under the heading of "Why Tenants Move." It is expected to throw some new light on landlord-tenant relations.

Another study in progress is concerned with relations between the civil service and housing management personnel, with special reference to New York City. The committee has enlisted the coöperation of managers throughout the country in setting up desirable standards of education, training, and personal qualifications for housing managers. It has also solicited ideas as to types of questions which should be asked in a civil service examination in order to assure selection of the most qualified personnel. In the near future a report will be published which, it is believed, will prove highly useful to housing authorities in cities outside of New York.

A second group of professional housing managers, the Committee on Housing Management of NAHO, was recently absorbed by the newly organized Professional Housing Managers' Division of the same association. During its short period of activity the committee prepared a report on disinfestation of household furnishings prior to moving families into public projects, which will soon be ready for distribution.

The Professional Housing Managers' Division, under the chairmanship of Raymond Voigt, manager of Parklawn in Milwaukee, Wisconsin, has as its purpose: (a) the establishment of professional standards of practice; (b) the interchange of housing management experience; and (c) the furtherance of the social objectives of housing through management. To achieve these objectives the division will attempt to record systematically necessary data to establish criteria of management practice, to encourage training in the profession, and to undertake related activities.

AN OFFICIAL PUBLICATION

One of the first efforts of the new division was in connection with the third Management Training Institute, previously described. It is anticipated that the *Housing Management Bulletin*, published monthly by NAHO since February 1938, will become the official organ of the division.[8]

Securing qualified people to assume responsibility for the administration of public housing projects has been a difficult task in some parts of the country. The problem is primarily due to the multiplicity of duties which require that the manager possess a rare combination of personal qualifications and educational background. These can best be appreciated, perhaps, by quoting from the recommendations of the Committee on

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[8] Issued originally by the short-lived American Society of Women Housing Managers organized in 1935. Now edited by the writer and Abraham Goldfeld.

Housing Management, Citizens' Housing Council of New York, in its 1938 report: "The committee believes that public housing managers should possess the following characteristics in addition to the qualities of emotional stability and administrative ability essential in all executives: (a) sound judgment, (b) tactfulness, (c) tolerance of others' views, (d) general understanding of social problems and purposes of public housing."

VARIED KNOWLEDGE ESSENTIAL

Furthermore, "to fulfill the functions of the job most efficiently, the manager should have a broad general background in, and detailed knowledge of, the following subjects: methods of selecting tenants, personnel administration, accounting methods and principles of large-scale purchasing, technique of preparing budgets and financial reports, methods of keeping records, insurance requirements of a large-scale enterprise, building maintenance, basic principles in the cultivation of a community program, the technique of developing desirable public relations."

A general knowledge of local, state, and federal laws is likewise considered desirable, as is an understanding of the labor market and general industrial trends, local housing conditions, current rentals, general construction methods, materials and costs.

As to training and experience, the following is recommended in the pamphlet, *Administrative Personnel for Local Housing Authorities,* issued by NAHO: "At least three years experience in an executive position in business or public administration, preferably in the management of housing properties; a sound knowledge of property maintenance, business management, bookkeeping, real estate law, and the elements of building design and construction; a thorough understanding of the methods and principles of recreational work and community organization, and, preferably, at least two years experience in these or allied fields."

If local housing authorities throughout the country succeed in securing men and women with these varied attributes to manage public projects, the contribution which good housing is expected to make in creating better citizens, will be assured.

A Citizen in the World of Tomorrow

By MIRIAM ROHER, *National Municipal League*

Being an informal transcript of the impressions of a governmental-minded visitor to Flushing Meadow, including extended mention of the New York City building and a film called "The City" (admission to both, free).

NO CITIZEN, however civic-minded, should be blamed for not rushing to the New York City building as soon as his train pulls into Flushing Meadow. But after he has gaped a while at the Trylon and Perisphere (which are far more impressive than the innumerable scale replicas which are currently flooding the country), heard the talking robot at the telephone building, stood in line at General Motors, eaten a hot dog or a hamburger, and accomplished some of the other purely extra-curricular pleasures, he could do much worse than venture inside the huge two-and-a-half acre permanent glass-sided building which stands in a small park of its own just the other side of the theme center, and which is devoted to the exhibit of New York City itself.

The invitation is not meant for New Yorkers alone, nor indeed only for those who preserve their amateur status as citizens. The man who was in charge of getting together the exhibits for the building told us he hoped out-of-towners would come in to find out a little more about the world's number one metropolis. Even he is too modest. In the opinion of one who started out to be skeptical, the New York City building is a remarkable example of the still infantile and stumbling art of showing citizens what they vote and pay for. Putting it more ambitiously, it is an important illustration of how to show democracy at work, and it has lessons and entertainment for citizens, public officials, experts, and just plain people.

Later on, when the Fair is over, they are going to turn the structure into a recreation building with skating rink, basketball, etc., etc. Maybe that is why they made such a box-like structure, big but hardly soaring. Anyhow, the glass brick walls give plenty of light and there are those, enthusiasts for "modern" architecture, who would even consider the place beautiful from the outside.

The inside is the thing, however. Starting from a central exhibit consisting of a symbolized representation of the Board of Estimate, with white leather partial seats for each member, the exhibits branch off in all directions, to show what is done by every department of the City of New York (population seven million, this year's budget nearly a billion).

If you follow habit and start at the right, you are in for a disappointment. Great big pictorial statistics, colored, on some sort of composition board, with nicely painted legends above, below, and beside, decorate the walls and comprise the whole of the exhibits near the door. In a book pictorial statistics have their place—especially when the reader compares them with the old-fashioned bar and graph charts which had as little reader appeal as the statistical tables they replaced to begin with. But all that floor space and all that money and all that civic enthusiasm for the Fair leads the visitor to expect something a little livelier. The guidebook (which you don't need) says of exhibit number three, the Corporation Counsel, that "graphs explain the legal protection given to citizens and visualize the enormous sums for which the city is sued, but stress the fact that only 2 per cent of claims have had to be paid." It is just that, and unless you are the Corporation Counsel himself, or a victim in search of a city-supported accident, it must leave you cold.

FIREMEN STAGE A SHOW

We were beginning to yawn over number six, Parole Commission—"Charts show great difference in cost between prison and parole. Exhibit demonstrates that 85 per cent of parolees respond to proper education and environment," when a tremendous clanging sent us automatically scurrying to the scene of the fire.

It *was* a fire, the most interesting fire we've ever attended. Every two hours the fire department puts on a show in front of their exhibit, where they have a little stage. They announce it, appropriately, with the clang of a fire bell. There is a replica of the side of an apartment building stuck right on the fire department's dais. A fireman announcer with an unfortunate tendency to swallow the ends of sentences keeps up a running commentary as picked buddies—good looking young men, all of them—climb ladders, jump out of windows into nets, and otherwise demonstrate valor and capability.

The second act takes place in a glass enclosed booth specially designed for the starting of blazes by women cleaning clothes with gasoline. A real blaze is made, which is a safety-first lesson for the children (who attend in large numbers with teachers) plus an excuse for another member of the fire department to demonstrate how the alarm system works. There is a real alarm box, connected with a wall map studded with illuminable spots signifying fire stations. There is much ringing of bells and popping of lights as the fireman theoretically puts out his hypothetical fire at the corner of Forty-second Street and Broadway. After the lecture is over anyone who wishes may go to the alarm box, pull the lever and hear the bells and see the lights. For us timid souls who have always wanted to, but never dared because of possible police resentment, it is a golden opportunity and an end to one inhibition.

A MURDER SOLVED

The police department puts on a show, too, alternating with the fire department. Theirs is called "Murder at Midnight," a straightforward dramatic play about a woman named Elsie Carter who is murdered by a con man named Joe Brown. The maid finds the body in the living room as the curtain goes up, and the audience sees the police, detectives, doctors, and other city officials come in to snap pictures and find the clues, of which there are fortunately plenty. This one has a second act, too, in a laboratory where a demonstrator pretends he is analyzing cigarette stubs, bullets, hair, fingerprints, clothing, blood, and all the other souvenirs Joe Brown left behind. Big illuminable replicas of each finding are on the wall above the laboratory, to prevent the crowd from mowing down the man at the machines.

The police department also permits one to telephone for, and receive, at least theoretically, a policeman. One more inhibition bites the dust.

TOO MANY CHARTS

The manual exhibits are by far the best, and we wished there were more of them. None of the other exhibits in the building was as discouraging as those first few pictorial chart affairs, but there is no doubt that there is more use than need be of the static numerical picturization of city activities. Hardly an exhibit, no matter how lusty its manual phases, dared dispense with the wall chart and graph. Surely this indicates a preoccupation with numbers which may be important from the official standpoint but which certainly must have been responsible for the very first yawn of the very first citizen, a couple of million years ago in the caves. What a citizen wants—at least what the citizens present in the New York City building when we were there wanted—were exhibits which *did* the things the department does. The police department solved a crime. The fire department put out a fire. The civil service department gave intelligence tests, height tests, and physical strength tests. The chief medical examiner had specimens of actual brains which had been punctured by bullets, actual stomachs which had been corroded by poison, actual hearts which had been neatly stabbed. In alcohol, of course, but satisfyingly real.

One of the hospitals is responsible for a gripping movie called "From Hand to Mouth." It began with the Hudson River, confirming our suspicions that it is exceedingly dirty by showing the dirt flowing out of open sewers and into the stream of that beautiful river. Some slum children went swimming, diving into the filth, breathing it into their mouths as they snorted about. The scene moved to a tenement, showed a mother taking her four-year-old to a dirty toilet shared, apparently, by all the families on the floor. There was a cafeteria scene, hands slapping ham on bread, sandwiches going into mouths.

It turned out to be all about dysentery, did not even mention the remedies—personal hygiene, public housing, public markets, sewage treatment plants, hospitals, pure water systems—until the audience had been made logically and emotionally aware of the ways in which the disease was contracted. The WPA made the film with due attention to musical sound effects, artistic camera angles, and the human touch, and the subtitles were not obnoxious. One of the injunctions left with the audience was the necessity of washing the hands at frequent intervals with soap, water, and brush. A little girl was heard complaining to her mother, as we left the little theatre which is at one end of the New York City building, "But I don't have any brush!" Educational is the word.

One of the most interesting failures of the exhibition is the city budget. It is an honorable defeat. Someone had the bright idea of explaining the way public money comes in, and how it goes out, by means of a tree-like wall graph backed by a moving stream of light which follows the money into the coffers and out again. The budget director is portrayed as a big piston which clamps up and down between the intake and outgo valves. One astonishing omission is the City Council and the Board of Estimate. According to the chart, the Mayor and Budget Director are the only two city officials who have a hand in the allocation of the billion dollars which accomplish city services.

Another trouble with the chart was that the only one who could tell what it was all about—and that after ten minutes deliberation—was a person who was supposed to know more than a little about municipal finance in the first place. The ordinary citizens in the party were simply stymied.

There are other sad failures. The welfare exhibit, for instance, is another one of those pictorial-chart-*cum*-sign affairs. It gives no more indication of the vast drama of public relief than a mimeographed annual report does.

Although it shows commendable modesty on the part of a political figure, it is too bad that our dynamic Mayor's appearance in the show is limited to a gold seal on one of the central pillars, a textual description of the powers of the office, and a huge winking eye, labeled "Eye of the Mayor" behind which are flashed pictorially the duties of the Department of Investigation.

There are plenty of other excellent exhibits—for instance, a room furnished in the style of 1789, for the Museum of the City of New York—and plenty of other unimpressive ones. In order to find out some of the reasons for the latter we approached the information desk, manned by one of the heart-warmingly friendly young officials with which the Fair is filled. We showed him a letter from Harry Sweeny, Jr., Park Director-in-Charge of the building, which invited us to come in and see him. Suppressing an impulse to tell him, in quotes, that we were "friends of Mr. Sweeny," we indicated readiness to take up the invitation.

Just as though we were indeed "friends of Mr. Sweeny," all doors opened. Mr. Sweeny, comfortably lodged in a glass walled room with red venetian blinds and good rugs, told us that the building itself cost the city a million and a quarter dollars, the exhibits and the work of preparing them another $385,000. This, he indicated, was hardly enough to give *every* department such bang-up presentations as those of the police and fire departments. It is costing about $13,000 a month to run the building now that it is in normal operation.

MANY VISITORS

More people come to the New York City building than you think. Mr. Sweeny's guess is one in eight or ten visitors to the fair which is a good round number when you consider all the rival attractions in the Meadow.

We asked him why there was no practical demonstration of proportional representation, the method which has been used since 1937 to elect New York City's council. There is, on the other hand, an ordinary voting machine on which young and old may practice. Mr. Sweeny said it was a matter of letting out contracts, a thing that had to be attended to at the very moment that New York State was about to vote on a constitutional amendment which would have outlawed P. R. in the state. By the time the amendment was voted down, the contracts had been awarded.

City employees, Mr. Sweeny continued confidently, are pretty much against P. R. anyhow.

Mr. Sweeny's boss is Robert Moses, miracle-making park man who is an outspoken opponent of proportional representation.

Before we left, we asked Mr. Sweeny why the park department happened to be in charge of an exhibit which would seem to belong in a department devoted to publicity or public relations. That, he said, was because the exhibit was at the Fair, and when the Fair is over, the whole business is to be converted into a public park.

We left the New York City building—after three hours—buzzing with ideas on how to improve it. Everyone was taken with the police and fire department shows—indeed, balloting among visitors shows both immensely more popular than any of the other exhibits—and all suggested variants on those shows to fit other departments. More push buttons, was the unanimous request, more dramatic plays showing relief clients being helped, sewers being inspected, money coming into the public till.

Whatever you think of those ideas, the best commentary on the New York City building came from a college-age sophisticate, who more or less against her will happened to be along. "Why!" she said, aghast, "I really had a good time!" which is a unique way to come out of a governmental exhibit.

The New York City building is not the only pebble on the Fair's governmental beach. Indeed, it is possible to make oneself quite dizzy with all the governmental angles which can be seen without even stretching a point. For instance, enough governmental units, foreign and domestic, coöperated in the building of the Fair to fill another League of Nations. Again, the physical planning of the Fair has probably afforded a field day to the municipal planning practitioners and theorists. Every single exhibit building in the place doubtless has piquant governmental sidelights. The government of the Fair itself bears interesting resemblances to the city manager plan, what with Mr. Whalen answering to his board of directors, and what with the many municipal-like departments, including police, fire, water, sewage, street cleaning, etc.

A FINE MOTION PICTURE

But to narrow the field a little, there is one other governmental curio at the Fair which deserves special mention. That is a motion picture, "The City," presented three times a day (admission gratis) at the Hall of Science and Education by the American Institute of Planners.

"The City" should be described only in superlatives, not only because it is good but also because it is in itself an attempt to describe the superlative. It isn't hard to identify that superlative city, New York, as the one which is used as the horrible example of what we have done with our rich and teeming civilization. Habitual city-dwellers can be made self-conscious, for the first time, by the picture's satirical and entirely realistic portrayal of people in a crowd, subway kiosks, people eating in a cafeteria, the blank faces of skyscrapers, traffic, city noises.

It is said that the movie was made by means of cameras concealed in suitcases. Certainly some such camouflage must have been needed to get some of the most poignant and hilarious shots. A crowd crosses a street; a face is briefly seen with an expression of uncomprehending bewilderment. A child scrapes mud in a running gutter; a man dodges automobiles, teetering back and forth in one place as cars bear down on him; a woman stands in a slum doorway and watches a train roar past her children crossing the railroad tracks. So artfully is it put together that no one dreams of looking on the picture as housing or planning propaganda. It is simply the essence of the city's life, but the camera has done it so sardonically, so wryly humorously, that it cannot help being a most effective tract.

There is continuity, too. Morris Carnovsky, gifted Group Theatre actor, speaks the commentary, which is not intrusive. He follows the picture from its idyllic presentation of colonial farm life to the mill and mining town, to the big city, and finally to the city of tomorrow. This last is a return to the idyllic, but it is an artfully planned idyll. Apparently this section of the movie was made in some of the model communities which are springing up all over the country. Nobody is posed. You see babies on lawns, a boy pumping up a bicycle tire, rushing off to join his mates on a picnic, eating his box lunch under a tree, stripping and plopping into a lake. Men go to work on "cloverleaf" roadways, women dump the family's dirty clothes into an electric washer in a community laundry and go outside to join the neighbors on the porch in a game of bridge. Schools, libraries, babies, sunlit factories—they all seem to be taken right from life and have a natural charm that comes only from the most artful wielding of the camera.

And the musical accompaniment! It tells the story almost without the pictures.

"The City" was made by a company of famous names, including Lewis Mumford and Pare Lorentz, the latter responsible for last year's federal documentary film "The River."

Decidedly, the World of Tomorrow is worth seeing.

"I Am the Law!"

By CLAUDE S. PRAY and GEORGE DOBRY

Two "innocents abroad" run afoul of "the law" in a memorable trip across the broad waters of the Hudson to the land of Hague.

THIS happened in Jersey City.

The editor of the NATIONAL MUNICIPAL REVIEW sent us, Claude Pray and George Dobry, to find out about a rumor that business men were getting ready to kick over the Frank Hague traces.

Ever since last February when "Boss" Hague laid down a $47.54 tax rate—the highest in the city's history and the highest for a city of its size in the nation—stories had been current in New York newspaper offices that smaller shopkeepers in Jersey City were in almost open rebellion over the severe property rates. For some time the course of industry has been away from Jersey City, and the merchants, faced with declining receipts and skyrocketing taxes, were said to feel that either taxes must be cut or they must get out of business.

Our task was simple. By all normal standards it was innocent, too. Only two questions were asked. "What do you think of Mayor Hague?" "What do you, as a taxpayer, get back in return for the huge taxes you pay?"

We quizzed people in scattered parts of the city. Replies in all but a few instances were cautious. They were prefaced with, "Please don't print my name."

We decided then that opinion of an entire business block would have more significance than isolated random inquiries. So we took a block on Newark Avenue just east of Journal Square, notorious for its spectacular Hague political pageants. Into one store after another we went.

There we made our mistake. It was the mistake of anyone who would solicit anti-Hague information in Jersey City.

The proprietor of the Hudson Boulevard Fur Company was apparently a 100 per cent Hague man. "The Mayor? Yes sir, a hundred per cent for him. He's my mayor and I'm a hundred per cent for him. God bless him."

Two minutes afterward a Jersey City policeman was doing the questioning.

"You fellows have permits?" he demanded.

"Permits for what?"

The cop explained that to do canvassing or soliciting of any sort in Jersey City one must have police permits.

"We're selling nothing," we objected. "We're simply asking people what they think of Mayor Hague. Is there any city ordinance against that?"

"It's the same thing," the cop said, dismissingly. "Where you fellows from?"

"New York."

"How long you been going around bothering people here this way?"

We felt our blood pressure rise slightly.

"We're not bothering anyone. All we're doing is asking businessmen what they think of Hague. If they want to answer, all right. If they don't, we thank them and leave."

The policeman stroked his night stick, thought for a moment. Then he abruptly announced, "You fellows come with me. I'm going to report you to the station. If they say go ahead, O.K. I've got orders, though, to pick up all persons I find canvassing without permits."

As the three of us passed the Fur Company, "God-Bless-the-Mayor" stood in the doorway with an approving grin on his face.

The cop took us into the shoeshop at the head of the street. There he went to a telephone in the rear and asked for a mysterious "No. 7" at headquarters. His voice was indistinct for the first few moments, then it began to rise sharply.

"They say they're representing the National Muni 'ci' pal League. Muni-'ci' pal. Muni 'ci' pal. M-u-n-i-c-i-p-a-l," he shouted. "That's right, municipal, and they are going around asking people what they think of the Mayor."

"YOU'RE UNDER ARREST"

The cop returned after several minutes. He said he would have to "bring us in."

Down the street from the shoeshop a line of taxis stood in front of the Journal Square bus station. Opening the door of the nearest one, the cop said nonchalantly, "Drive us to the station, Frank."

Frank obliged. Frank probably didn't like the idea of converting his meal ticket into a temporary patrol wagon, but he had no choice.

The lieutenant at headquarters was polite.

"I want you to understand the reason for all this," he said. "We have no objections to your asking questions here about the Mayor. We're glad to have you do it. It's just that we want to know who you are and where we could find you should anything happen later in any store you visited."

PROTECTION GUARANTEED

The lieutenant expanded this point. "Thieves, you know, often pose as canvassers when they 'case' a store. While they are talking to clerks they watch to see where the money is and what windows look the easiest to force. Then they come back and rob.

"To help stop this, we have ordered our men to bring to the station for registration all persons found canvassing without proper permits. We realize you are not selling. Moreover, there is no law here forbidding you to talk to people about Mr. Hague. It's just this, and this only. We want you to get permits so that we may know who you are. We also want to save you from being brought in here by the police every half hour or less."

The lieutenant then asked for our credentials—a letter of introduction from Howard P. Jones, executive director of the National Municipal League. The permits would be issued as soon as he had checked the letter's authenticity, he told us. Then he asked us to leave the room while he made the check.

Just before the door closed we heard another call put through to "No. 7."

When the desk lieutenant rejoined us fifteen minutes later his face had a serious cast.

"The credentials seem to be O.K.,"

he said. "Go downstairs to the registry office and they'll fix you up."

As he turned to go, one of us asked him if he had called the office of the League. The lieutenant's somber look left him for a moment. "No," he said, smiling lightly, "I didn't call *your* office. We have our own little way of checking up."

The sign on the door downstairs read "Criminal Registrar." The room was full of men. One or two of them were puttering around a desk. The rest were grouped around watching the proceedings. They punctuated the registrar's statements with loud roars.

The officer in charge stormed. "I don't care who sent you down! I won't issue a permit without the chief's personal O.K. You can argue until you're stiff, but it won't do you a damned bit of good!"

This blustery treatment caught us off-guard.

For a moment anger got the better of us. Heatedly we asked for an explanation of the whole business.

More laughs followed this request. Suddenly we realized how ridiculous we really were asking permission to investigate Mayor Hague's position in Jersey City—seeking this authority from men whose sworn duty is to see that nothing but 100 per cent "Hagueism" ever reaches the people of Jersey City!

We joined in the laughter. The whole thing was really funny.

"O.K. Where next?"

"Go up to floor 2M, and talk to the chief. He wants to see you anyway."

Up to floor 2M we went. This floor is a special number built for the exclusive use of Chief Harry W. Walsh. The elevator was crowded with burly men in civilian clothes. The chief's anteroom was even more crowded. An old colored man who was sweeping up appeared to be the only one with anything at all to do.

Chief Walsh was short and sprucely dressed in an Oxford grey business suit. He had apparently been cut to the quick by the affair, petty as it was.

AND STILL NO PERMITS

"You fellows are always doing tricks like this," he said. "You come in here and do as you please. You never let us know anything. Then when you get in trouble you want us to be lenient with you. The law, after all, was made to protect you fellows."

After listening to a long recital of the danger that lay in disregarding police regulations, we interrupted the chief to ask for our permits.

"The permits," he said, "will be sent to you, but only after we have made a thorough check on you and this National Municipal League you claim you represent. If we find you are what you say you are, you will get the permits. You will have to quit canvassing in Jersey City though until we give them to you."

As we turned to the door, the chief halted us. "Boys," he said, "Boys, remember this. Whatever you write, even if its a kick in the back, it will be a plug for our Mayor. He lives on publicity."

We never received any permits.

To tell the truth, we never expected to receive any permits.

A few days later we discussed the affair with a Jersey City acquaintance.

(Continued on Page 591)

A Village Portrait

By MORLEY BRAND

Description of community and political life in the village of East Stoneham, Maine, where people build their own homes and make their own laws and generally "stand on their own feet."

ABOUT half way between Paris and Oxford, twenty miles from Norway and over a hill or two from Denmark, is the village of East Stoneham. It has a couple of hundred inhabitants—113 voters—who talk like Englishmen with Alabama accents, slowly and rather sweetly, lingering on the vowels which they pronounce with much greater variety of tone and value than is customary in most parts of the United States. They carry themselves with a fine dignity and the ease of self-respecting men. The women are plain and the men have flaming complexions from long exposure to the weather, for most of them go into the woods in winter to cut logs for their little sawmill, and the Maine winters are severe.

"The folks from the city don't think we out here in the wilderness are human," said old Ed Allen, the town clerk. "Well, maybe we're not. It's hard enough to stay alive, let alone be civilized. You don't find the people around here divided into farmers and carpenters and bricklayers. We're all jacks of all trades. We build our own houses, eat from our own gardens, dig our own ditches, and do what needs to be done. There's a good deal of coöperation, of course, but we're all pretty independent. We're used to standing on our own feet.

"When my grandfather came here in 1820 there were only three other families in the whole neighborhood. They were scattered around, too. People didn't huddle together so much then. They tell of one man at the time who lived over where Paris is now: he saw smoke rising up from over in East Waterford, two towns away, and said, 'Now who's that settling down right under my nose?' "

Stoneham was incorporated on January 31, 1834. The divisions in Maine are rather like very small counties, with markers on the borders, "Town Line." These county-ettes have villages in them, designated by "East Stoneham," "West Stoneham," etc., and are irregular in shape. Stoneham is a town, which means that it elects its own officers.

The state owns several thousand acres of forest in Stoneham, which it bought from the owners of the land, and since the state does not have to pay property tax, the burden on the Stoneham taxpayers is much higher than in many of the other towns. The present tax rate is forty-two dollars out of $1,000. It has been as high as forty-six dollars, Ed Allen said.

"What about the poor?" I asked. "Does the town have any wards?"

"Paupers?" said Ed. "No, right now there aren't any. We had two, a while back, but there aren't any now. Good thing, too. Town has to pay five dollars a week for their board, and in a place this small that amounts up pretty high in a year."

"I should think it would," I agreed. "Does the town have a debt, and is there a legal debt limit?"

"Debt limit? I never heard of one. No, we haven't been in debt for years and years. We keep our finances balanced. Not like Roosevelt. We don't believe you can get ahead on borrowed money! As a matter of fact, we had quite a little surplus, over in the bank at Norway, but the thing went broke and we lost it all. The people that were managing the bank made enough profit to buy it and run it as their own, though."

The nearest bank, hospital, and fire department are at Norway. If a house catches fire it burns. Of course the neighbors try to help, but there isn't much they can do. The health situation is not quite so bad, as there is a county nurse who travels about from town to town. She is paid by the state, but East Stoneham contributes fifteen dollars a year to her salary.

PUBLIC OFFICIALS

The town officers are three assessors, three overseers of the poor, and three selectmen (accent on the first syllable!) who are all the same three men. The first selectman gets ninety dollars a year and the other two fifty. (When I asked Ed the difference in their duties, he said the head man is the one who does the work.) There are also a road commissioner, a constable (whose duty is to post notices of meetings), a town treasurer, and a town clerk. The school superintendent is elected from five towns. The East Stoneham school has eight grades, and the town pays the tuition of any students who go to the other towns to high school, and furnishes them with transportation. Sometimes there is only a single student rattling around in the high school bus.

The United Lovell Telephone Company, a combination of the old Farmers' Line and the New England Lines, serves East Stoneham from Fryeburg, twenty miles away. The phones are the kind with a crank. The Central Maine Power Company, also in Fryeburg, is Stoneham's source of electricity. Roads are built and kept up one-third by the town and two-thirds by the state, except for one fifty-fifty road.

There is one church, the Congregational. Every other Thursday in summer, and once in Christmas vacation, and at other special times, the entire town gathers for a bean supper at the church. Everyone brings something. Beans, brown bread, pickles, cake, pie, and coffee—the menu is traditional. The men sit, shy and shining, against the wall in a row, and the women bustle around setting the tables. There are two ministers, Mr. Bull and Mr. Swank, who travel around serving about half a dozen towns. In the height of the season, they each have to eat usually three and sometimes four bean suppers a week.

Most of the social gatherings, aside from the church suppers, are held in the Grange Hall. The annual fair is held at North Waterford and is known as the World's Fair. Waterford, Stoneham, and Albany take part, and there are usually some Norway exhibits.

Mrs. McKeen is the post office. In her back parlor, which has a separate side entrance, is an olive green steel façade with a little sliding window and a slot below for letters. She officiates behind the window. Sometimes when a package is big, she has quite a time pushing it through the opening. It would be simpler to step around the façade, which is only about six feet wide, but that probably wouldn't be so official.

KEEPING THE TOWN RECORDS

If there ever was a town charter, it isn't in the records now. Ed Allen never heard of there being one. He has records of births and deaths, and in the old record books, which he keeps in a safe out on his side porch—the book was icy with the Christmas cold when he brought it in to show me—are ancient records of intentions to marry. Engaged couples always had to file their intentions with the clerk, and he wrote them in the book.

In the midst of the intentions are three pages describing the identifications of all the East Stoneham sheep. In the old days they put fences around their gardens and not around the stock. The animals pastured all together in a common field, so they had to be distinguished by different cuttings and clippings of the ears. Every farmer's combination of ear-trimmings was described. Some of the ancient handwriting was like fine engraving. Some of it was terrible.

Most of the Stonehamites take the Norway paper, *The Advertiser.* Everyone over twenty-one years old who has lived there six months can vote. The government of the town is very casual.

"We get along all right," says Ed.

One of the town's large expenses is snow-shovelling in winter. It owns a tractor and a snowplow and a few shovels, which are kept at the Grange Hall, but that's about all the town property there is.

Here is a part of the report of the Superintendent of Schools for 1937:

> Some repairs have been made on the interior of the schoolhouse at East Stoneham and the roof patched, yet the rain comes through in a stream. The conditions downstairs during a rain are intolerable, for the water, running through the toilets, covers the entry floor and seeps into the primary room. The building has been made unsafe by cutting it up so for windows and the fact is—it is not suitable for a building where little children must be brought together. It is a needless waste to patch it up for sooner or later you will have to build a new schoolhouse with a suitable playground.
>
> Of course, there is the great problem of paying for it but should the present building collapse, or should a child get seriously injured on the playground, the town would be liable for damages which would make a good payment on the building.
>
> Had the education bill been passed by the last legislature, some state aid might have been obtained toward the cost of a new building, but it wasn't and there is no money to be had from that source. It is doubtful if there will be in the future, for the state is so heavily in debt that appropriations will be heavily cut and the schools will be the first to receive less.
>
> So, my good friends, this matter of a decent place for your children is squarely up to you and I urge you to give it your careful consideration; you cannot afford to continue taking chances with the health and safety of your children. The recommended appropriations are based on a thirty-four-week year allowing for an increase in teachers' salaries because of the shortage of teachers in the state and also allowing for tuition for the present eighth-grade in high school next year.

Recommended Appropriations

Teachers, 3 positions, 34 wks.	$1,632
Fuel	50
Janitors	80
Conveyance	360
Textbooks, including new maps	50
Supplies	70
	$2,242

The salary suggested for the three teachers breaks down into $544 a year each.

TOWN POLITICS

The town was Democratic for three elections, but in the last one it made a big swing in the other direction and had a Republican plurality of seven. The town meeting to elect officers is held on the first Monday of every March. If you ask the Stonehamites what goes on at the meetings, they all say the same thing, "Some business and a lot of noise."

There isn't much more to tell about Stoneham. They don't ship out much lumber from their little sawmill; most of it is used for building right there in town. The people are all pretty poor, but they're quietly and philosophically cheerful about it.

Ed Allen was rather stranded when I climbed up his long hill through the snow to see him. He can't afford a car, of course, and his only horse had fallen through the barn floor only a few days before and died. If Ed doesn't fall through the floor of his porch some day I'll be surprised. How it manages to hold up his steel safe I can't understand. The house has been there since 1820, but when you look at it your surprise is that it's been there only a hundred-odd years.

One of his two cows had just died, too. He buried it and the horse up on the hill. He's a pretty old man to be digging down through the snow to bury such big carcasses, but he never complains. He has no telephone and the nearest house is half a mile away. His wife has some kind of hip disease. The Stonehamites worry about the Allens sometimes, off there alone. Not for long, though, because worrying doesn't get you anywhere, and they are essentially practical people.

They have to be.

"I AM THE LAW!"

(Continued from Page 587)

"What," we asked him, "could Hague have done to us if we had gone ahead with our canvassing? Surely there is no legal way the police can forbid persons asking questions of one another!"

The friend laughed.

"I take it," he said, "that neither of you has heard of an illustrious public servant who on several occasions has declared: "The law? I am the law in Jersey City."

Youth Takes a Fling at Politics

By JAMES P. HUGHES, *Palmyra, New Jersey, High School*

High school pupils in Palmyra investigate local government at first hand; attend borough council meetings, organize as political parties, and elect their own public officials to serve for a day.

YOUNG people studying government at the Palmyra, New Jersey, High School have been "learning by doing." Not only did they participate in "National Youth Week," at which time some of the pupils, elected by their fellows, became mayor, councilman, etc., for a day, but frequent attendance at regular borough council meetings has brought home to them the problems faced by public officials.

The first of these meetings with the borough council was held in October 1938, when twelve students, accompanied by their instructor in government, met at the fire engine house to attend its regular monthly meeting.

Permission for the group's attendance had been obtained in advance so that when the meeting opened Mayor John F. Ward gave the students his official greeting, welcomed them to that and to every regular meeting thereafter, and then spent fifteen minutes explaining the borough council system of government and how it differs from the city mayor and council plan. From this point on the meeting was conducted the usual way. The pupils listened attentively and took extensive notes.

The next day all of these pupils made reports in class for the benefit of the students who had not attended. They stated that they had enjoyed the meeting and several asked to attend another.

The experiment proved to be such a success that the instructor was encouraged to make the attendance of at least one borough council meeting a requirement of all students in government classes. As a result a group of pupils has attended every council meeting since, including the April meeting which was held during Easter vacation.

The aims of this plan were: (a) to give pupils some practical application of the methods, principles, and theories of local government; (b) to bring future citizens into actual contact with the borough officers and the varied problems which they must solve; (c) to develop a greater interest in community affairs; (d) to impress upon these young citizens the importance of their intelligent participation in our democratic form of government; (e) to instill greater loyalty to American principles and ideals; (f) to prepare the pupils for the National Youth project of taking over all borough and township positions in Palmyra, Riverton, and Cinnaminson Township held on May 13th.

The results of this council attendance plan and the activities growing out of it have proved very gratifying. Each month some borough officer has given a fifteen- or twenty-minute talk to the pupils on the work of his department and some of the problems that he has to face, with suggestions as to how the work might be improved.

The students have not only derived great benefit from the meetings, but their interest and appreciation have encouraged local officials to strive to do a better job than previously.

As a climax to the attendance at council meetings, an "Information Please" program was staged by the officials and pupils at the May meeting of the council. The boys and girls brought in questions on local government which borough officials answered.

TWO-PARTY GOVERNMENT

Great interest and enthusiasm has been shown by the Palmyra High School students in the "Youth Week Borough Government" plan. The two classes in American government served as political parties, substituting the names of "American Youth party" and "The United party" for the Democratic and Republican parties. These names were selected by the students from a list which they had formulated.

Each party drew up a platform, nominated its candidates for mayor and six councilmen for each of the two adjoining towns of Palmyra and Riverton, and for three committeemen for Cinnaminson Township.

Each class held its own primary election and then staged a general election in which the entire student body of the high school participated.

This Youth Week project aimed to instruct all the high school students in such principles of good government as the short ballot, the study of party platforms and characters of candidates, the split ticket, the proper way to conduct a campaign and election, the needlessness of mud-slinging, the holding of candidates to their campaign promises and party platform planks, the duty of every official to work for the good of the whole community regardless of political party affiliation should a coalition council be elected through split ticket voting.

ELECTION ACTIVITIES

A week of preparation for the election was spent in educating the voters as to party platforms and candidates. These preliminaries consisted of the following activities:

Poster Day—Posters were prepared stating platforms and naming candidates of each party, also campaign slogans and caricatures of candidates.

Announcements — Announcements were made in all home rooms giving qualifications of various candidates and the offices they hoped to occupy.

Assembly Program—All candidates were introduced from the stage to the student body by their campaign managers. Platforms were stated and a few remarks made by mayoralty candidates.

Soap Box Speeches—Each party brought a strong wooden box to school and a committee on speeches for each party talked up their candidates.

Press Conference—Through the cooperation and interest of the *Camden Courier, Palmyra Twin Borough Advertiser, The Palmyra News, The New Era,* and the school paper, *The Palmyrian,* a press conference was held in which statements were made by the various candidates.

Election Board—This consisted of all home room presidents who took charge of voting in the home rooms and served as tellers, counting eight hundred votes.

The Ballot—Drawn up by the ballot committee made up of members of both political parties. At the top of the ballot were the names of the parties with the lists of candidates directly below. Attached to each ballot was a copy of the two party platforms.

After the results of the election were announced, the newly elected pupil mayor and council of the two boroughs of Palmyra and Riverton and committeemen of Cinnaminson Township met and appointed pupils to fourteen official positions.

The pupils served in the following offices: *clerk, treasurer and collector, assessor,* overseer of the poor, *solicitor,* health officer, *school nurse,* road supervisor, *fire chief,* chief of police, school supervisor, building inspector, director of welfare, justice of the peace, *secretary.* The offices in italics require special ability so pupils who excelled in stenography, bookkeeping, commercial law, pre-nursing course, and volunteer firemen were appointed to those positions.

PUBLIC OFFICIALS FOR A DAY

After appointments were made and accepted the new officers arranged to visit the borough officials whose positions they would fill and get first-hand information from them as to their duties, responsibilities, and accomplishments, so each could give a short report on the work of his department at the council meeting and to the Council on Youth Week Government Day.

A regular organization and business meeting of the council was conducted and many interesting local problems discussed.

After the council meetings were over the student officials were taken on a tour of inspection by regular borough officers. The water company, sewage disposal plant, police station and lockup, and the fire house were visited.

As a result of the interest shown by the entire student body in this phase of Youth Week and the contacts and information gained by the pupil officials, a real lesson in the operation of democratic government has been learned. And such excellent cooperation of pupils and borough personnel as has been demonstrated in the Palmyra experiment is of benefit to any American community.

News in Brief

Councilman Stephen W. Cunningham of **Los Angeles** has recently announced that the University of California at Los Angeles will shortly undertake an intensive survey designed to establish boundaries for a proposed city-county greater metropolitan district of Los Angeles and to determine the proper form of government for such a district.

Carey, Ohio, will vote on adoption of the manager plan on August 8th.

Scottsbluff, Nebraska, will vote on September 5th on a proposal to place the town under the manager form of government.

The **Haverhill, Massachusetts,** Taxpayers' Association has voted in favor of the manager plan and is arranging, through the organization of a charter commission made up of representative citizens, to bring the plan before the voters on next fall's ballot.

The committee appointed by Mayor Arthur E. Poole of **Taunton, Massachusetts,** to investigate the city's charter and study other forms of government, recently held its organization meeting.

The **Linden, New Jersey,** Civic League has set as its goal the elimination of politics in Linden through the installation of a city manager form of government.

Contributors in Review

A TALL, attractive young woman lurks behind the masculine appellation, **Morley Brand** (*A Village Portrait*). Miss Brand, who hails from Oregon via the Columbia School of Journalism, class of '39, was visiting in Maine at Christmas time, and "was struck by the character of the town and its inhabitants. They cried to be written about so I wrote about them. That's all." Oberlin College gave her the Bachelor's degree in 1938.

BESIDES teaching American government, sociology, citizenship, and social science in Palmyra High School, Palmyra, New Jersey, **James P. Hughes** (*Youth Takes a Fling at Politics*) has been (extra-curricularly) high school boxing instructor for six years, and he claims an interest in all sports, especially tennis, football, and swimming. Antecedent for Mr. Hughes' athletic standing is the United States Naval Academy at Annapolis, which he attended for a time before going to Bucknell University. Mr. Hughes is chairman of the Americanization and Citizenship Committee in Burlington County, New Jersey, and a consultant of the Mayor of Palmyra on juvenile delinquency cases.

THE two whom Hague chased out (*"I am the Law"*) are **Claude Pray** and **George Dobry**, at present an army officer and a member of the advertising staff of a church publishing company, respectively. Both were members of the class of 1939 at Columbia University's Graduate School of Journalism and both have journalistic careers behind and ahead of them. Mr. Pray worked his way through Ripon College, Wisconsin, by being a produce manager in a grocery chain; Mr. Dobry earned his course at the University of Nebraska by writing stories "about a new poultry mash, the condition of wheat in western Nebraska, and how to get your hogs up to two hundred pounds when prices were best" for *The Nebraska Farmer*. The military job and the advertising job, say Messrs. Pray and Dobry, are stop-gaps.

A NATIVE New Yorker, **Miriam Roher** (*A Citizen in the World of Tomorrow*) discovered, while earning her M.A. in political science at Northwestern University, that it might be the New Yorkers rather than the mid-westerners who had an accent. After Northwestern (out of Barnard) Miss Roher helped the New York State Commission for the Revision of the Tax Laws put out a book on state and local government in New York and a pamphlet on tax limitation. Now she is with the National Municipal League, her duties loosely grouped under the titles "publications editor" and "contributing editor to the NATIONAL MUNICIPAL REVIEW."

THE word "housing" appears in the title of every one of the numerous writings and activities of **Beatrice Greenfield Rosahn** (*Public Housing Creates a New Profession*). She wears the jewel of consistency even in her spare time, when she "keeps house in New Britain, Connecticut." Mrs. Rosahn is one of the pioneers in housing management as a profession, particularly for women, and has written extensively on the subject. She is a member of the housing management committee of the New York Citizens Housing Council.

(Continued on Page 600)

The Riddle of the Mural

By **GEORGE WOODWARD**, *State Senator, Pennsylvania*

A Philadelphia doctor, sponsor of the bill providing city management with proportional representation for Philadelphia, muses on statesmen and politicians in general and on the merit system in particular.

OVER the speaker of the [Pennsylvania] House hangs or adheres Edwin A. Abbey's great mural painting of Pennsylvania worthies, some sitting on a front bench of the temple of fame, some standing in the "middle distance," and some conspicuous in the foreground. There is not a Cameron or a Quay or a Penrose or a Guffey. Pennsylvania politicians seemingly have writ their names in water. The sole survivor of our political complex in the mural is Thaddeus Stevens. Buchanan like Hoover was a precursor of war in one case and of debacle in the other. There have been famous clergymen, famous doctors of medicine, famous lawyers, famous journalists, famous artists, and famous women in Pennsylvania, but not famous statesmen. Mr. Abbey himself was a Pennsylvanian. Too many of our notables have migrated to the lights of New York or the tax refuge of Delaware and visit us only when they need a Pennsylvania dentist.

What is the answer to the riddle posed by the mural of our temple of fame? We can answer that politics has never risen to the dignity of a profession. We can answer that Pennsylvania has always been so prosperous that questions of government have never pinched. We can answer that life was too easy in our wealthy commonwealth. We might even answer that our breed of politicians was so smart that they fooled the easy-going people all the time. There is no doubt that our officeholders have preferred immediate advantage to future fame. They never thought that Mr. Abbey would come along with his painting and leave them out of the picture.

Our politicians did achieve some statuary. In the rotunda of the capitol are four big niches. In each niche is the monumental figure of a politician, three in black bronze and one in white marble. Fate is fond of irony. In this case she has awarded to the blackest politician the whitest statute. The big point is that if you were asked to name the four men who got on in the niches you just couldn't do it. The only man probably who knows is the night watchman who sits on a marble bench and reads the inscriptions surrounding the dome or holds converse with the plaster angels who crown the marble stairs. It does seem too bad that the appropriation ran low when the architect came to the angels and had to put them in plaster. . . .

I have to admit that Pennsylvania's two most famous men were not natives of Pennsylvania. They were Benjamin Franklin and Albert Gallatin. All this political liability goes for Philadelphia also. We have so many kinds of debt floating and anchored that we have given up anything so sordid, so perfunctory as a budget. We live comfortably, untroubled by thoughts of our future. We feel sure that some subdivision of social security will care for us. . . .

Having made this unpleasant diagnosis of Pennsylvania politics, the next question naturally is the treatment. What master bills can we enact into resolutions or acts of assembly that will elevate our politics into statesmanship and incidentally ourselves into the temple of fame? We all know the two dragons of politics that cramp our style as statesmen. They are waste and patronage. Like all devils they wear pleasant, plausible faces. Waste is an agreeable vice. From spending $1,800,000 on aeronautics to paying per diem men, women, and boys for not working on Thursdays to and including Sundays is an unusual and usual form of waste.

Patronage is more subtle. I have a waiter friend who has been a faithful Republican for years. He now believes he ought to be in the Department of Finance either as a messenger or as a filing clerk. He has the right temperament for a perfect messenger but can adapt himself to the duties of a filing clerk. If I have to devote myself to pleading for my political friend, if I have to request and re-request the secretary of revenue, the personnel secretary, the county chairman, and one or two secretaries of the Governor to concentrate on this appointment, is it any wonder that I never become a statesman? Is it any wonder that the secretary of revenue, the personnel secretary, the county chairman, and the secretaries of the Governor suffer likewise from pestilence and arrested development and no one emerges into statesmanship, not even the discontented waiter?

There you are. "To the victor belongs the spoils" just spoils all of us and we shall never get into the picture over the speaker's desk or have a statue anywhere on Capitol Hill. We now have piecemeal samples of the merit system: liquor, assistance and unemployment insurance, 15,000 employees, and we don't seem to love the samples. When President Garfield was shot by a disappointed office seeker, civil service sprang into life. New York State at once enacted a merit system and has kept it ever since. The Keystone State liked a one-party government buttressed by patronage. That such a buttress is sure fire politics is a fallacy. . . . After the votes were counted and Governor James was elected by a majority of 280,000 one of the Democratic candidates confided to me that "jobs did not win an election."

For every reason then, ideal and realistic, why not be intelligent and enact a statewide civil service bill into law? Such a bill has been introduced by Senator Geltz. It is the result of careful drafting by civil service associations and deserves the name of model bill. Why not wipe out all the samples and put nearly everybody except the Governor and his elected ticket on merit? Why not put my waiter friend on merit? Why not give me a breathing spell so I can find time to be a statesman and either get into the picture or acquire one of those modest niches high up in our dome which fortunately are still vacant?

From *Pennsylvania Legislator* (published every so often by Senator Woodward), April 1939.

Odds and Ends from Here and There

GOVERNMENT is not a plaything for politicians, a necessary evil for taxpayers, a social experiment for crackpots and reformers, a policeman for special privilege, or a Santa Claus for the shiftless. It is a vast public corporation in which we all have a stake and it will not function efficiently or justly or even honestly until we regard it as such and apply sound business principles and business practices to it. ALLEN H. SEED, JR., Executive Vice-President, Minneapolis Civic Council.

EVERY cause that has ever succeeded has done so because it has had leaders who spoke with conviction and who were bold enough to persist in the face of what sometimes seemed overwhelming odds. Their denial of the possibility of defeat turned their convictions into widely accepted principles. LOUIS K. COMSTOCK, President, The Merchants' Association of New York.

THE failure of the states to deal adequately with urban problems is to be found in the constitution of state legislatures in which the cities are invariably under-represented. State constitutions and reapportionments almost without exception favor the country districts over the cities. We have all of us seen the fate of legislation absolutely vital to our communities determined by a chairman of a committee of the legislature who is not a resident of our community, who has no knowledge of, no interest in, no concern for our problems. C. D. SCULLY, Mayor of Pittsburgh, Pennsylvania.

THE American politician is as modern as today's newspaper, yet he is older than the Democracy of Pericles. He goes back to the earliest governments of primitive man. For there came a time when even primitive man could not rule by force alone; he had to use suasion too, and when you have suasion, you have the politician. J. T. SALTER, in "The Pattern of Politics: The Politician", *Journal of Politics,* May 1939.

IT SHOULD be as convenient for Mr. Citizen to transact his public business with the city as to buy a postage stamp or to cash his check at the neighborhood bank. In other words, the larger cities must decentralize the administration of the day-to-day activities to the neighborhoods to gain the mutual benefits that would flow from these intimate contacts and yet retain full advantages of large-scale operations by uniformity of regulations and coördinated control. Editorial, *Public Management*, April 1939.

IN A democracy truly representative government rests with the people. With adequate public reporting the citizenship can evaluate the relative merits or demerits of the many decisions of policy made by their representatives. T. J. HARRELL, Mayor of Fort Worth, Texas, in Annual Report for year ending September 30, 1938.

MARION County officials (Indianapolis) were embarrassed at having to testify in a court of law that they considered impossible a proposed sale of tax-delinquent property because of the inaccuracy of county records.

Circuit Judge Earl Cox, before whom such testimony was offered, declared, "The court is in the impossible position of attempting to order what he knows is the law and what he knows is a physical impossibility. . . . There has to be a rejuvenation of the tax collection and bookkeeping systems of the county." He postponed the case and advised officials to do what they could to straighten out the mess in the interim. *Editorial Research Reports.*

JOHN K. CITIZEN-AND-TAXPAYER is coming into his own at last in this town [*Willows, California*].

James Boyd, chairman of the High School Board of Trustees, announced that the board had decided to call the new athletic grounds "Taxpayers Field."

"Taxpayers have an investment of $13,000 in this field and it's time they got some sort of recognition," he said. Christian Science Monitor, June 24, 1939.

MISS BERTHA DOTY, town clerk and tax collector, Rayne, Louisiana, (population 3,710) has just completed her fifteenth year in office. During this period all taxes have been collected except $3.18 and three pieces of property have been adjudicated to the town for this amount. For the past thirteen years the town has operated on a cash basis without borrowing or anticipating tax collections; yet many improvements have been constructed. The tax rate of fourteen mills is two mills lower than in 1924 when Miss Doty took office. *Municipal Finance News Letter,* June 16, 1939.

MAYOR T. J. McINTYRE [*Centerville, Iowa*] *wants more money and more work. He inserted the following ad in the local paper: "Mayor wants work, available after 10 o'clock in the morning. Seeks means of livelihood."*

Recently the City Council cut the Mayor's salary from $1,200 a year to $360. The Mayor retaliated by cutting his hours. Office hours now are 9 A.M. to 10 A.M. Christian Science Monitor, June 24, 1939.

Kentucky County Debt Act Sustained

EARLY in 1938 the General Assembly of Kentucky passed legislation strengthening the county budget act and providing machinery whereby the state local finance officer (the commissioner of revenue or his appointee), with the collaboration and approval of an ex officio county debt commission, might directly assist counties in planning their long-term financing or refinancing programs.

Pursuant to this legislation, the local finance officer assisted certain counties in negotiating funding plans for the handling of certain judgments and other indebtedness; and, incident to approval of these plans, certain taxpayers and local officials attacked the constitutionality of the statute. The principal objections, as stated by the court in its opinion, were formulated in the following questions.

> 1. Does the 2 per cent limitation in section 158 apply where a proposed bond issue is to fund a debt which is in the form of a judgment, and which judgment has never been appealed, and where the appeal from such judgment is now barred by the statutes of limitation?
> 2. Is the act unconstitutional because it forbids the county to incur an indebtedness in excess of one half of one per cent of the taxable property without the approval of the County Debt Commission, when section 158 permits a county to incur an indebtedness not exceeding 2 per cent of its taxable property?
> 3. Has the legislature usurped the powers of the fiscal court and thereby contravened section 144 of the constitution?
> 4. Is the notice to the county judge of the hearing sufficient notice to the taxpayers of the county?
> 5. Does the act give the County Debt Commission judicial powers when it allows it to pass upon the validity of bond issues, and in providing its findings of fact shall be final if supported by any substantial evidence, and in providing, where there is no appeal, the decision of the commission shall be res adjudicata?

Although the Circuit Court which originally tried the case had found the statute completely unconstitutional and invalid, the Court of Appeals, the supreme court of Kentucky, reversed the Circuit Court on every count, and held that the statute was entirely constitutional in all of these several respects. It is gratifying to friends of good government that the court incidentally showed clearly its approval of the admirable policy of state technical assistance to localities involved in the legislation. In connection with this case the entire court sat, and the opinion by Judge Sims was unanimously approved.

JAMES W. MARTIN
University of Kentucky

CONTRIBUTORS IN REVIEW

(Continued from Page 595)

ONE of those professors who "took over" the government after 1933 was **Leonard D. White** (*Training for Public Service*: *University of Chicago*) who served as a member of the United States Civil Service Commission and of the Central Statistical Board from 1934 to 1937. Professor White belongs to a long list of organizations in the field of political science and has written a long list of books and articles in the same field, including the famed *Introduction to the Study of Public Administration.* He was born in 1891 in Acton, Massachusetts, and reached the University of Chicago by way of Dartmouth, Clark University, and Harvard.

Recent Books Reviewed

EDITED BY ELSIE S. PARKER

Politics and Public Service. By Leonard D. White and T. V. Smith. New York City, Harper & Brothers, 1939. xii, 361 pp. $3.00.

This book is recommended as required reading for all public officials, elected or appointed, for reformers, for students of government, and for the millions of just plain voters who ought to know of the relationship of politics to public service, but who seldom do.

With amazing practicality and refreshing idealism, Leonard D. White, former United States Civil Service Commissioner and famous exponent of the merit system, and T. V. Smith, college professor turned Congressman, have pooled their practical experience.

They did what would-be authors always want to do but don't—stole away to the solitude of a Wisconsin lake—and there debated matters in the presence of a stenographer. Then they did some private thinking and writing, coming together at last to complete the job.

While they agree that patronage should be used for the appointment of policy-forming officials, and stop right there, they also agree that the vast army of public servants who hold their jobs on the basis of their skills must never be free from the necessity of letting the so-called politicians chart the course of government, lest we fall into the hands of an uncontrollable bureaucracy.

But the book is much more than even its subtitle, "A Discussion of the Civic Art in America," might indicate. It is packed with evidence and facts. It is temperate in viewpoint but it avoids no issues. It is quick, interesting, fascinating reading.

While it is difficult to escape the impression that an enlightened understanding and acceptance of the principles set forth so clearly here would go far toward curing many of our governmental ills and thus safeguard democracy, it is also difficult to escape the realization that we are listening to a remarkably *enlightened* politician and a remarkably *enlightened* administrative expert.

Baker Brownell is supervising editor of the book, which is one of a series designed to relate the problems of our modern social and economic life to the specific problems of the professions.

A. W.

Tax Exemptions. By James W. Martin et al. New York City, Tax Policy League, 1939. vii, 237 pp. $3.00.

This interesting collection of fifteen papers read at the annual meeting of the Tax Policy League in Detroit, December 28-30, 1938, covers somewhat unevenly, as such symposia are bound to do, a very broad field. One point in this broad field is at the present moment the subject of intensive public debate—the President's proposal to do away, so far as future issues are concerned, with the exemptions long enjoyed by governmental securities and salaries from taxation. Four of the fifteen papers are devoted to the discussion of this issue.

Another issue, which would provoke many reactions if it were ever seriously raised, has been hanging on the horizon like a summer thunder storm—the lowering of personal income and estate tax exemptions. A paper is devoted to each of these subjects. A minor crisis of some significance has been provoked by the use of exemption from local property taxes as an accompaniment of low-cost housing projects—one paper is devoted to this subject. An introductory paper on the "General Theory of Tax Exemption" starts off the volume. The seven remaining papers are employed in filling out the outlines of the tale of tax exemptions. They vary from such time honored debating society subjects as "Exemptions to Educational, Philanthropic and Religious Organizations" to such practical titles as "Homestead Tax Exemption" and "Luring Industry Through Tax Exemption," the author of the latter being concerned not with how to lure but with the evils of attempting to do so. The exemptions of tangible and of intangible personal property are assigned a paper each. The concluding item is a discussion of the general "Exemption of Improvements" which seems to this reviewer—in spite of its intrinsic merit—to have got the single tax into this particular intellectual feast in disguise.

The Tax Policy League is again to be congratulated in presenting a lively and provocative set of papers. They naturally vary somewhat in merit and still more in the force with which they impinge on the things men are thinking about in 1939. This reviewer would have liked to have seen the subject of intergovernmental exemptions even more fully developed. Though inclined to be an anti-exemptionist he would even have been generous enough to have welcomed a vigorous paper defending the policy of mutual exemption which has existed since John Marshall decided *McCulloch* v. *Maryland*. President Roosevelt's proposal for the reciprocal removal of the exemptions which now protect the securities and salaries of one jurisdiction from taxation by another is a serious one. It is peculiarly interesting since one of its natural results will be to force wealthy people to invest in productive private enterprise whereas the general policy of the New Deal has been to discourage saving and private investment. The whole matter of the relation of the removal of these exemptions to the New Deal economic philosophy might have been profitably examined.

These are, however, counsels of perfection. This volume cannot be ignored by anyone who wants to be abreast of the times in the great field of taxation. And with one or two exceptions the papers will not do violence to the reading tastes of the layman. One always has a favorite in such a list of papers and in this case the reviewer's vote goes to Roy Blough for his paper on "Intergovernmental Exemptions from the Federal Point of View."

THOMAS H. REED

The Government of Education in Metropolitan Chicago. By John Albert Vieg. Chicago, University of Chicago Press, 1939. xviii, 274 pp. $2.50.

It was only last month that New York City school officials, horrified at a slash in state aid for schools made by an economy-mad state legislature, sulkily vented their disappointment by threatening to cut kindergartens out of the school program. The rank and file of school teachers, in the meantime, descended en masse, spiritually and physically, upon Albany to demand that no matter what else was cut, the schools were to be left strictly alone.

The incident is an illustration of Mr. Vieg's contention that the popular American device of "separating" the schools from the rest of government not only does not work, but may work harm. Schools are never, in fact, non-political, for all their vaunted independence; politics, good or bad, inevitably spills over the legal barriers between school board and mayor or city council. What measure of independence does remain results in a narrowing of vision which causes just such selfish demonstrations as occurred in New York.

Mr. Vieg's "ideal plan of school government" is sure to meet favor with all the advocates of the council-manager form of city and county government. Not only does he call for abolition of independent school boards, and appointment, instead, of a superintendent of schools by the city's chief executive, but he also insists that the way to improve school politics is to improve city politics; i.e., to adopt the council-manager plan.

Mr. Vieg has many other good ideas, but that is our favorite.

M. R.

Debts and Recovery. A Study of Changes in the Internal Debt Structure from 1929 to 1937 and a Program for the Future. *The Factual Findings,* by Albert Gailord Hart; *The Program,* by the Committee on Debt Adjustment. New York City, The Twentieth Century Fund, 1938. 366 pp. $2.75.

Issued last fall and by now well known to those whose work impinges on the subject of public and private debt in its various ramifications, this study of the Twentieth Century Fund is of especial interest at the present time when the interrelations of government credit and economic recovery are being examined with renewed vigor.

The first seven chapters, the factual findings of Dr. Hart (who based his research on preliminary work of Alfred L. Bernheim, research director for two of the Fund's previous studies), review in considerable detail the course during the depression of the credit institutions, commercial banks, building and loan associations, and like agencies, individuals and unincorporated firms, corporations, and the federal, state, and local governments. The final chapter presents the recommendations of the Fund's Committee on Debt Adjustment, of which J. Lionberger Davis, chairman of the Board of the Security National Bank Savings and Trust Company of St. Louis, was chairman. A brief but adequate appendix presents statistical data amplifying the text tables, supplemented by a satisfactory index.

The study is part of a three-year examination by the Fund of the entire debt structure of the nation, private as well as public, which has been aimed first to picture the debt adjustments that have taken place during the depression, and second, to propose ways in which the nation's debt structure can be strengthened and depression difficulties of debtors and creditors eased. The findings of this study show that during the depression debts against real property were eased (and scaled) to the greatest extent, while those against governmental units encountered the least difficulty. The conclusions stress the onerous effect of fixed charges arising from investments in debt rather than in equities during a period of economic strain, and point up in a recommendation that equity investments—direct ownership or ownership of stocks, etc.—must be encouraged to the practical discouragement of investment in debt if sustained recovery is to be attained.

W. S. S.

The Municipal Year Book, 1939. Edited by Clarence E. Ridley and Orin F. Nolting. Chicago, International City Managers' Association, 1939. viii, 587 pp. $5.00.

Widely recognized as the only single authoritative source of vital facts about the administration of American cities, *The Municipal Year Book* for 1939 devotes considerably more space to individual statistics of cities than have its five predecessors.

For the first time there is presented an entirely new statistical section covering police, fire, utility, welfare, health, library, and recreation activities. Among these statistics, for example, are the number of police and fire employees, salaries, equipment, crime and fire rates, etc.—information frequently sought and difficult to find.

There is a new section on financial data for cities over 30,000 and another on intergovernmental tax exemption problems.

The Year Book is divided into six general divisions: résumé of municipal activities in each of twenty-four fields, general governmental data, municipal personnel, municipal finance, municipal activities, and sources of information. For each of the 1,809 municipalities in the United States over 5,000 population, there is provided a great deal of information such as number, salary, term, and election date for city council, titles of officials elected by the people, utilities owned, etc. Another section gives for each of 834 cities the number of employees, total salaries and wages, whether a city has a classification and pay plan for employees, and a list of cities in which municipal employees are unionized and to what unions they belong. For each of the 960 cities over 10,000 there are lists of the names of the twelve chief municipal officials.

This book, which answers almost every conceivable question about the operation of American municipalities, should be a "must" in every city hall and every college library.

A. W.

Additional Books and Reports Received

Civil Service

Right of Appeal from Removals under the Merit System. By Research Department, Illinois Legislative Council. Springfield, Illinois, 1939. ii, 20 pp. mimeo.

The Need for Reorganization of Public Pension Systems. By The Conference of Mayors and Other Municipal Officials of the State of New York, Westchester County Village Officials Association, The Merchants' Association of New York, Citizens Budget Commission, Inc., of New York, Citizens Union of the City of New York. New York, 1939. 30 pp.

Education

Education for Work. By Thomas L. Norton. New York City, The McGraw-Hill Book Company, Inc. (for The Regents' Inquiry into the Character and Cost of Public Education in the State of New York, 1939. xviii, 263 pp. $2.75.

Education of Handicapped Children. By Research Department, Illinois Legislative Council. Springfield Illinois, 1939. 23 pp. mimeo.

Teacher Tenure in Illinois, with Particular Reference to Teachers Outside Chicago. By Research Department, Illinois Legislative Council. Springfield, Illinois, 1939. ii, 27 pp. mimeo.

When Youth Leaves School. By Ruth E. Eckert and Thomas O. Marshall. The McGraw-Hill Book Company, Inc. (for The Regents' Inquiry into the Character and Cost of Public Education in the State of New York), 1939. xvii, 360 pp. $3.00.

Housing

Housing Yearbook 1939. By National Association of Housing Officials. Chicago, Public Administration Service. vii, 240 pp. $3.00.

Legal Problems in the Housing Field. Part 1—Private Housing Legal Problems, by Horace Russell; Part 2—Legal Aspects of Public Housing, by Leon H. Keyserling. Washington, D. C., Superintendent of Documents, 76 pp. Twenty-five cents.

Libraries

Current Issues in Library Administration. Papers presented before the Library Institute at the University of Chicago, August 1938. Edited by Carleton B. Joeckel. Chicago, University of Chicago Press, 1939. xii, 392 pp. $2.00.

Investigating Library Problems. By

Douglas Waples. Chicago, University of Chicago Press, 1939. xv, 116 pp. Paperbound, $1.00.

Municipal Government

Cincinnati Municipal Activities. Annual Report of the City Manager. Cincinnati, Ohio, 1939. 79 pp. illus.

Rochester 1938. Annual report of the City Manager. Rochester, New York, 1939. 44 pp. illus.

The Administration of Paris and Montreal, A Comparative Study. By Alfred John Pick. Montreal, McGill University, Department of Publications, 1939. 208 pp. Paperbound, $1.00.

Public Welfare and Relief

Rural Relief and Recovery. By Rupert B. Vance. Washington, D. C., United States Government Printing Office (for Works Progress Administration), 1939. 32 pp.

U. S. Community Improvement Appraisal. A Report on the Work Program of the WPA. Washington, D. C., National Appraisal Committee, 1939. 62 pp.

Recreation

1938 Yearbook—Park and Recreation Progress. By United States Department of the Interior, National Park Service. Washington, D. C., Superintendent of Documents, 1939. vii, 92 pp. illus. 35 cents.

Today's Leisure. By Department of Playground and Recreation. Los Angeles, California, 1939. 56 pp. illus.

State Government

The Constitutional Convention That Never Met. (In two volumes). By Zechariah Chafee, Jr. Providence, R. I., The Booke Shop, 1939. 103 and 50 pp. respectively. Fifty cents each volume.

History of State Administrative Agencies in Oregon—1843-1937. By Morris S. Isseks. Portland, Oregon State Planning Board, 1939. 331 pp. mimeo.

Miscellaneous

American Foundations and Their Fields. Compiled by Geneva Seybold. New York City, Raymond Rich Associates, 1939. viii, 218 pp. $3.75.

Insurance Costs and Practices in Governmental Subdivisions of South Dakota. By League of South Dakota Municipalities. Vermillion, South Dakota, 1939. vi, 76 pp. mimeo.

Newark Labor Relations Board, First Annual Report. Newark, New Jersey, 1939. 34 pp. mimeo. charts. Twenty-five cents.

Organization of State Highway Systems. By Research Department, Kansas Legislative Council. Topeka, 1939. xi, 30 pp. mimeo.

Parking Meters. A Synopsis of Questions and Answers. By New Haven Taxpayers, Inc. New Haven, Connecticut, 1939. 20 pp. mimeo. Twenty cents.

Readings in American Government. By Robert S. Rankin. New York City, D. Appleton-Century Company, 1939. xii, 644 pp. $3.00.

The Democratic Way of Life (revised edition). By T. V. Smith. Chicago, University of Chicago Press, 1939. xxxiii, 290 pp. $2.50.

Water Pollution in the United States. Third Report of the Special Advisory Committee on Water Pollution, National Resources Committee. Washington, D. C., Government Printing Office, 1939. xiv, 165 pp.

NATIONAL MUNICIPAL REVIEW

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Philadelphia Carries On

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NATIONAL MUNICIPAL LEAGUE

The League's Business

League Conference Dates Set

The League's Forty-fifth National Conference on Government will be held at Indianapolis on November 16th, 17th, and 18th. Please keep these dates open. Full announcement of the subjects to be discussed will be made in next month's issue of the REVIEW.

The League Expands Its Program

An experimental research program devoted to the study of the relationship of citizens to government will be initiated this month by Indiana University in coöperation with the National Municipal League, with headquarters on the Bloomington campus of the University.

The project is the result of negotiations, ranging over the past several months, between the secretary of the League and President Herman B. Wells of the University. Professor Roy V. Peel, former head of the Division of Public Administration of New York University, has secured a leave of absence from the New York institution in order to take over the directorship of the Indiana-League program. Dr. Peel will hold the rank of professor in the Indiana University Department of Government, and will be assisted in his research and field work by graduate students working for the master's degree or the doctorate. A limited number of fellowships will be given by the university to selected students.

The new research program is designed to cover a neglected but vital sector of the science of state and local government: the question of control of the governmental machine by the citizenry whom it is established to serve. The purpose of the program is to study this question and to examine the processes involved in order to throw new light on practical problems of democracy.

The state of Indiana will be used as a laboratory for the project, and coöperation with civic organizations working toward the improvement of local government is contemplated. The National Municipal League will make source material available from its files and will publish any studies of the research project that are deemed of national significance.

Professor Peel, the director of the program, is known as a pioneer in the realistic study of political organization. His book on *The Political Clubs of New York City* was the first of its kind. He was born in Des Moines, Iowa, and received his A.B. from Augustana College in Illinois. The University of Chicago granted him the Ph.D. Dr. Peel was the first chairman of the New York City Fusion party which was responsible for the election of Mayor Fiorella H. LaGuardia. Subsequently, on leave of absence from New York University during 1933-35, he studied municipal government and the coöperative movement in Sweden on a two-year fellowship awarded him by the Rockefeller Foundation.

HOWARD P. JONES, *Secretary*

National Municipal Review

Editorial Comment

Councilmen—the Key to the Situation

IN A democracy no form of government can be automatic. If the people of any community are indifferent when local elections fall due they are virtually asking for indifferent or bad government.

The voters of any city will get just as good government as they demand and just as bad government as they will tolerate. This has been proved time and again in places where only 30 to 50 per cent of the qualified voters are sufficiently interested to bother to go to the polls.

By and large, the council-manager form of local government has a splendid record of accomplishment. But its most significant contribution to the cause of genuine democracy is found in the fact that, in almost every instance, its adoption has been accompanied by a revival of a civic spirit all too frequently lacking in the American scene.

Simple form, short ballot, and centralization of responsibility are factors which contribute heavily to the public understanding and interest which produce this important condition.

The key to the whole situation in the council-manager plan is the popularly elected council, as it should be in a democracy. The council enacts all local laws and determines all matters of policy. It appoints and may remove the manager, whose duty it is to carry out the policy as determined by the council.

If the fundamental importance of the council is kept in mind, it is easy to see why the council must be thoroughly representative of the population and of as high calibre as can possibly be elected.

To this end, it has been proposed that candidates for council shall possess more substantial qualifications than mere vote-getting talent or at least that their availability be judged by having a yardstick with which to measure them. One local citizens' group[1] has drawn up and another has subsequently endorsed the following list of qualifications:

First: He shall be honest and honorable in all matters, private and public.

Second: He shall be sincerely devoted to serving the best interests and welfare of the entire city and all the citizens, rather than some group or section.

Third: He shall be an enthusiastic supporter of nonpartisan and non-patronage council-manager government, in which the council determines policies and enacts legislation, and delegates the administration to the city manager and his appointees, chosen only on basis of merit.

Fourth: He shall be unqualifiedly committed to the principle of "Equal rights for all and special privileges for none."

Fifth: He shall actively support the principles of civil service and its administration to the end that favoritism of every kind may be eliminated and the selection, promotion, and retention of city employees may be determined solely upon the basis of merit and ability.

Sixth: He shall devote sufficient time to his duties as councilman to become acquainted with the affairs and business of the city government so that he may exercise an intelligent and independent judgment in the consideration of its problems and policies.

Seventh: He shall coöperate in the

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[1] City Manager League of Toledo.

formulation and execution of a long range plan for public improvements and services, designed to provide the greatest possible benefits for all the citizens.

Eighth: He shall at all times insist upon the strict enforcement of law, without favor or discrimination, to the end that crime and vice may be reduced to a minimum.

Ninth: Finally, he shall possess sound judgment and ability, be independent in thought and action, yet open-minded and considerate, free from any selfish influence, have courage to fight for right and principle, and be willing to coöperate with others to serve all the people at all times.

Here we have at least an incipient tool which should serve the two paramount purposes of emphasizing the importance of the council in the council-manager set-up and encouraging voters to choose more intelligently between the candidates.

The National Municipal Review invites comments, criticisms, and contributions on this subject from its readers.

Wanted: A Substitute for the Cracker Barrel

THERE are several outstandingly worthwhile efforts in this country to promote discussion of public affairs. Almost without exception, however, they confine themselves to broad questions of international or national affairs or, when they get a little closer to home, concentrate on harmless subjects like hobbies, pets, etc.

Of course, international affairs are important and need plenty of discussion—not that very many of us will ever know the real story behind the nightmarish events of today until some gimlet-eyed, debunking historian prowls through the secret papers a couple of generations hence.

But why must these otherwise constructive groups continually shy away from questions of local government? It must be because such questions are likely to be controversial, for surely there is no doubt about their tremendous importance. All national political organizations and, indeed, the whole tone of our civic morality have their roots and their controlling forces in our villages, towns, cities, and counties.

The single most important reason for local misgovernment and corruption, of which there has been more than enough in recent years, is found in the lack of popular understanding and interest in local government. In city after city, especially in those most noted for bad government, we find only 30 to 50 per cent of the qualified voters bothering to go to the polls, definitely indicating a lack of understanding of important local issues which affect them much more directly and closely than do most international or national situations. Of a piece with this is the fact that the well informed among our thousands of college graduates each year are posted on international and national affairs, about which they can do virtually nothing, and are almost totally unaware of local civic problems, about which they can do a great deal and in which they have every obligation to be constructive leaders.

There is evidence in every direction that this indifference is gradually destroying government at the

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Wine from the "Grapes of Wrath"

By **SAMUEL E. WOOD,** *Bureau of Public Administration, University of California, Berkeley*

New federal camps demonstrate possibilities for improving living conditions of "dust bowl" migrants; but available facilities can satisfy housing demands of only a few of the needy "Joads."

THE recent influx of depression migrants and "Dust Bowl" refugees into California has magnified a social problem that has been developing in the state for the past thirty years.

The sordid housing conditions of agricultural labor first received statewide attention with the death of four persons in the Wheatland Hop Riots of 1913. A state investigation proved that the chief cause of the strikes and rioting that followed was the insulting housing condition of the labor camp. Yet, after a lapse of twenty-five years, the 1913 description of the squalid camps of burlap and old lumber, open garbage pits, infected wells, and the lack of the most elementary sanitary facilities might well portray the conditions under which thousands of migrant families now live in California.

These families are part of the great army of migrant workers that travels thousands of miles each cropping season to meet the demands of a capitalistic, highly mechanized industry.

California's intensive crops, now forming four-fifths of her total crops, last year amounted to approximately half a billion dollars. She produces nearly half of the nation's fresh fruit, practically all of its dried fruit, 70 per cent of its canned food, and 33 per cent of its truck crop. From the great industrialized farms of California's irrigated valleys, crops roll to market each month of the year. Over one-third of all the large scale farming units in the nation are located in California. Less than one-tenth of all the farms in California produce a crop value equal to more than $10,000 each per year, but these large growers account for more than half the total crop value. Two per cent of California farms, constituting one-fourth of the acreage, produce nearly one-third of the crop value and pay one-third of the bill for hired labor.[1]

Naturally, California's "field factories" have determined the character of agricultural labor. The traditional "hired man" relationship has given way to a dispossessed proletariat consisting of thousands of migrants who follow the harvests from Imperial Valley through the San Joaquin to the far reaches of the Sacramento Valley and climb the Pacheco Pass into the fertile areas of Hollister and Gilroy. Due to the "slack" and "rush" seasons in the irrigated valleys, labor demands are intermittent. As an extreme example, only 30 regular employees may be required on a 2,000-acre peach farm, but 200 to 250

AUTHOR'S NOTE:—The author is indebted to Professor Charles Aikin, Department of Political Science, University of California, for aid in the preparation of this manuscript for publication.

[1] Testimony of Paul Taylor, U. S. Congress, Senate, 75th Congress, 3rd Session, Special Committee to Investigate Unemployment and Relief. Hearings. March 14, 1938. p. 1603.

men are added during the pruning season, 700 are needed for thinning, and 1000 more are necessary for picking. The peak labor requirements in Southern California occur in May, September, and October; in the San Joaquin, the period of greatest employment is in the months of August and September, while the peak season in the Sacramento Valley comes in April and May. The average family travels over 500 miles a year following the crops, and 28 per cent go over 1,000 miles in an attempt to make a living by piecing together short periods of employment. The expense incident to this ceaseless migration is the first claim upon an average family's earnings of approximately $400 per year.

While some of the ranchers maintain organized private camps adequate for the housing needs of their migrant workers, many transient families, both in and out of cropping season, actually live in squatters' camps beyond the inspection of city housing departments. Most of the counties make no provision for housing inspection. Moving migrants away would merely spread infection, and the county sheriffs and health departments that normally have jurisdiction are reluctant to act. The California Commission of Immigration and Housing, charged by statute with the inspection of labor camps and auto camps, has had its effectiveness cut by decreased appropriation. The result is that, in spite of the increase in migratory families, labor camp inspections in the state dropped from 2,050 in 1932 to 1,165 in 1937. In the same period, auto camp inspection fell from 1963 to 710.

The labor demands of the agricultural industry of California have been met successively by Chinese, Japanese, Filipino, Mexican, and, finally, the native depression migrants and victims of the Dust Bowl. "Blown out, baked out, and broke," these farmers and laborers stream west in a motley collection of battered cars filled with children, dirty bedding, blackened cooking utensils, and remnants of household furniture. A large proportion of the 250,000 persons belonging to parties "in need of manual employment" who entered the state by motor vehicle, according to a border count of the California Department of Agriculture, are destined to join the great army of California migrants. The causes of the migrant problem illustrate its national character better than any other single factor. The depression migrants of 1932 and 1933 were the result of a nation-wide paralysis, and the recent flood of immigrants from the Dust Bowl is the culmination of the near-sightedness and wastefulness of generations.

A NATIONAL PROBLEM

The national character of the migrant problem has been recognized by the federal government through its establishment of migrant housing projects in the leading agricultural centers of California. The program of migrant housing is under the supervision of the Farm Security Administration of the United States Department of Agriculture. Twelve camps are now in operation accommodating 2,300 families, or a total camp population of approximately 10,000. In spite of the fact that these camps are located predominantly in the great irrigated valleys where labor demands are the most intense during the cropping season, they by no means satisfy the total housing demands of the transient families. Many times more families are turned away than are actually accommodated.

FEDERAL CAMPS ERECTED

Consequently, federal camps for the most part merely demonstrate what can be done to improve the living conditions of migratory agricultural workers. These camps have been arranged in an orderly fashion depending on the terrain and contours of the land. Streets have been so constructed and tent platforms so located as to give the occupants of each tent easy access to the streets. The platforms, laid about thirty feet apart, are built in groups of forty about a community facility building. Each facility unit is also provided with a suitable number of concrete platforms for house-trailers. Camp facilities recognize that workers' employment depends upon their mobility. Consequently, each camp contains the necessary provisions for repairing and greasing automobiles and trailers. All roads and tent approaches are well surfaced and graded for drainage.

Buildings in each camp include a utility building, an isolation unit, a "delousing unit," an assembly room and nursery, a first aid room and clinic, a garage pergola, a grease rack, an office and living quarters for the manager, warehouse, pumphouse, hose cart shed, incinerator, shower baths, and sanitary units. Laundry units, clothes lines, and a sewing unit are also provided. Library facilities are provided through the combined effort of the camp management and the nearest county library. Recreation units where children may play and adults may enjoy athletic contests are a part of each camp.

In each group of tents is located a sanitary unit or utility building with both men's and women's quarters. In contrast to many private camps, the showers and toilet facilities are installed in proportion to the number of users. The women's units contain six showers and dressing rooms, six sanitary flush toilets, eight hand basins, and eight cement laundry trays with double faucets, supplying hot and cold water. With the exception of laundry trays the men's quarters are similarly equipped. At present hot water tanks are heated by electricity or fuel oil. In nearly all the camps water is provided by wells and stored in 15,000 gallon tanks erected on fifty-foot towers. Sewage disposal systems function through suitably located Imhoff tanks. Garbage is burned in large, concrete incinerators.

Camp management is a coöperative endeavor between a permanent camp manager selected by the F. S. A., his assistants, known as camp guards, and democratically elected camp committees. The governing body of the camp is the campers' council, representing the entire camp in its relationship with the management. This committee handles problems of discipline, camp regulations, and nearly all controversies. The campers' council exercises no jurisdiction outside the camp, and its decisions are subject to the approval of the camp manager. Camps are naturally subject to all local laws and the inspection of accredited local officers.

The adult recreation committee takes charge of all athletic games and arranges contests with other nearby groups. The good neighbors and child welfare committee is appointed by visiting nurses with the approval of the manager. This committee gives instruction in first aid, personal hygiene, and child care. Mothers are given pre-natal care and definite instruction and assistance in following the program of visiting nurses and physicians. The management and committees are assisted in their educational program by W.P.A. and N.Y.A. workers under supervision of the State Department of Education.

Although the federal government furnishes the funds for the camp plant and the salary of the manager, the members furnish their own tents, furniture, and cooking utensils, and generally finance the social and welfare activities of the camp themselves. Each resident family pays ten cents a day into a general fund which is handled by the campers' council and the manager. All payments from the fund are made by check, and accounts are audited by the Farm Security Administration. Every person in camp is obligated to contribute two hours' work each week for the use of the camp. In case a family is unable to pay into the camp fund, it is required to give two extra hours' work a day. Clean-up jobs are regularly arranged by the camp manager and his assistants, who are responsible for the cleanliness of the camp.

HOMES FOR WORKERS

In conjunction with the camp program, the F.S.A. is sponsoring the building of 150 low-rental homes near several of the migrant camps. Such houses are for workers who could be termed permanent residents and who have an income record in the community. These families are in the approximate economic income group of the migrant workers and hence demand low-cost housing. They, however, attempt to maintain a permanent home and work from this center in the agricultural industry of the county. Families that fall within this group are carefully selected on a basis of dependability, need, and permanent residence. At the present time, there are 148 such houses established adjacent to the F. S. A. camps in the agricultural centers of the state, while 174 more are in the process of construction. These houses are rented to families on a yearly lease for $8.50 per month. A small plot of land, varying in size from one-quarter to three-quarters of an acre, goes with each house. The householders raise a substantial portion of their food supply on this land. The hope is that this procedure will result in a saving of cash income for a general increase in the family standard of living, besides resulting in a better balanced and more wholesome family diet.

The forty completed homes at Shafter, Kern County, painted white with a trim of various bright colors, present an attractive picture when a visitor approaches them down one of the well graded streets. The compact arrangement of the rooms tends to cause one to forget the smallness of the house and to concentrate on the well placed cabinets and cupboards. Each house, floored with smooth cement and sealed with gray stained wood panels, contains a large living room with a kitchen alcove and a long sleeping porch that is divided into two bedrooms by a clothes closet. On one side is a flush toilet and shower room, with an adjoining storage closet. Easily adjustable canvas awnings cover the screened windows to give shade and protection from the weather. A pergola shades the front door, and cement laundry trays are located on a porch at the side entrance. Near the house is an open garage with a storage closet for tools and supplies.

Coöperative farms are also being set up by the Farm Security Administration to enable the tenants to share the advantages of large-scale, mechanized cultivation of irrigated land. Each family is a member of the operating corporation but owns none of the land. The projects remain government property. The head of each family is paid a stipulated monthly allowance for working on the communal land and receives a proportionate share of the net profits from the sale of produce. At present, these farms are operated on a part-time basis, part of the family income being derived from the coöperative and part from seasonal employment in the larger farms in the neighborhood. The largest project of this type is the 4,200-acre tract of irrigated land at Coolidge, Arizona. The California example is the 520-acre Mineral King project in Tulare County, near Visalia. Another type of coöperative farm is the small subsistence farm developed on land adjacent to migratory labor camps. The Farm Security Administration plans during this year to develop five such units in California. These projects will care for approximately 155 families who will farm part-time on some 895 acres of land and work as laborers on nearby farms during seasons of demand. Occupants of adjacent camps as well as resident farm laborers may become participating members in the coöperatives.

OTHER CAMPS AVAILABLE

In addition to the federal housing program for family migrants the fact should be mentioned that numerous cities and counties in the state provide camping sites for either family or single transients. These facilities vary from the rather well shaded fenced square at Clovis to unsupervised camps which consist merely of a place to "stop over." Nearly all these camps have running water and varying types of sanitary facilities. None of them, however, could be termed adequate from the standpoint of either facilities offered or capacity. Families generally find it necessary to camp on the outskirts of established grounds, carry their water, and use the overcrowded, meager sanitary facilities.

The inadequacy of local housing programs can be remedied through legislation passed in 1938 that granted statutory permission to California counties for the creation of local housing authorities. The purpose of these authorities was slum clearance and the establishment of adequate housing for urban and rural persons of low income.[2] Under the provisions of these acts, agricultural counties could undertake the construction and maintenance of housing facilities for resident and migratory agricultural laborers. Housing authorities are authorized to issue revenue bonds to be secured by the housing projects. The United States

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[2] *Cal. Stats.* 1938, Chapter 4, Section 3 (i).

Housing Authority is empowered to lend a local housing authority up to 90 per cent of the project's cost. This leaves but 10 per cent of the costs to be raised through local financing. No county with a large number of agricultural laborers, except Los Angeles, has created a housing authority. None of the four county housing projects in Los Angeles County are designed for agricultural workers.[3]

THE SINGLE TRANSIENT

Thus far, this discussion has been concerned only with the housing facilities for family migrants. While there has been a definite change in the type of migrant worker in the last few decades and the "bindle stiff" has been largely displaced by the migrant family, there still remain several thousand single transients who find employment following the crops and seasonal industries of California. The number of single transient workers, moreover, seems to have increased with the depression and the general tide of Dust Bowl migrants. The single laborers, in contrast to the family migrants, usually do not provide their own means of transportation but depend on hitch-hiking or "hopping a freight" to the city nearest the location of the job. These men generally arrive in the city broke and dirty. They are in need of a place to clean up and a temporary shelter while they check with the local branch of the state employment office for work in seasonal industries or agriculture.

There is a definite tendency for these men to congregate in the larger cities of the agricultural valleys during cropping season and to wander back in the slack period in search of jobs that will keep them during the winter. It is obvious that cities subjected to this continual stream of single migrants face problems not met in cities outside the agricultural belt. While most of the agricultural cities refuse to admit openly that the single migrant constitutes a petty crime problem, they, nevertheless, treat him as if he actually did. The general procedure seems to be to discourage the individual from stopping in the city; and, if he comes anyway, to arrest him as a vagrant, give him a couple of meals in the local jail, and "float him out" the next morning. The city of Imperial varies this procedure by giving "them their choice of working on our local chain-gang or leaving town."[4]

The city of Fresno, however, definitely recognizing that the unemployed single transient constitutes a local social problem, has planned a solution. Six years ago the city took over the federal transient camp and each year has been providing in the city budget for its maintenance. Transients are directed to the camp by the local police and are sent there from the police court in lieu of receiving jail sentences on vagrancy charges. Visitors are limited to one day's stop, unless they receive definite promise of work from the local state employment office, or unless they are in need of medical attention.

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[3] Victor Jones, Bureau of Public Administration, University of California; 1939 Legislative Problems, No. 4; *Transients and Migrants,* p. 60.

[4] Milo H. Foster, City Clerk, Imperial, California, in answer to the author's questionnaire of July 25, 1938.

The camp has eating and sleeping facilities for 150 men. It is provided with a check room, registration office, toilets, showers, shaving facilities, wash tubs and clothes lines, and a "delousing" unit. Heat is provided by oil drums converted into wood stoves. Fuel consists of large stumps that cannot be worked up into stove wood lengths for free distribution. Although no charge is connected with the camp, a two-hour work test is required for each meal, and the men spend this time converting trees collected by the City Department of Public Works into wood that is later distributed free of charge to needy families through the Community Chest and other local welfare agencies. All the menial work connected with the camp is also done by the migrants. The only two permanent employees are the camp superintendent and the chef. Responsibility for the administration of the camp is vested in the Mayor. Questions of policy are determined by the Social Welfare Commission consisting of city administrators and laymen. The Fresno shelter camp is viewed locally as a sound business investment; indeed, city administrators feel that it equals, from the standpoint of crime prevention, an addition of ten men to the local police force.

The city of Sacramento operates a municipal transient shelter with a bed capacity for 500 men and kitchen facilities for 1500. The other attendant facilities such as toilets, showers, shaving and washing facilities are also provided. In contrast to Fresno, Sacramento attempts to limit camp visitors as strictly as possible to single unemployed men of the city and county of Sacramento. The deliberate policy seems to be to prevent the camp from becoming a congregating point for state and interstate transients. Sleeping quarters are available, however, for any single man who wishes to apply. One cent a day is charged for checking bundles, and the three-cent charge for a shower includes soap and a towel. Persons who "stay over" are required to perform a work test of four hours for every four meals. Administration of the shelter is vested in the City Superintendent of Recreation.

While other cities have developed varying programs of aid for single transients, no other city in California has shelters established solely for this purpose. In some cities temporary shelter is provided by the Salvation Army, the Red Cross, or other local charities. The Stockton Community Chest provides the night shift of the local police department with a small revolving fund for single men who need immediate shelter or medical attention. San Francisco administers temporary relief to single homeless men through the Single Men's Registry. This agency dispenses meal tickets, rent, and clothing.

CAMP PROGRAM OF STATE

No survey of housing facilities for single transient men would be complete without a brief review of the camp program of the State Relief Administration of California. On October 9, 1937, the State Relief Administration of California adopted a policy of "Relief in the form of camp care only for unattached single men." Prior to June 21, 1938, generally only those men were sent to camp who were without legal residence within the state under the state indigent act and who expressed willingness to go. After this date, however, aid, with certain exceptions, was extended in the form of camp care only. Thus, single transients who were able to establish necessary residence requirements under the indigent act and migrants who could prove their residence in California for one year and who were unable to establish legal residence in another state were eligible for the only type of relief available. It was purely the responsibility of the migrant to prove his right to such benefits. The difficulty of such proof is obvious. Such items, however, as letters of employment and references, hospital and clinic records, voter's registration, application for unemployment benefits, registration in state employment offices, and vagrancy charges were the chief sources of proof. The advent of the new administration saw the removal of the coercive element from camp certification; the camp program, however, continues without fundamental change.

When the eligibility of the client has been established and he indicates a desire to accept camp care, he is given a physical examination and, if found fit for manual labor, is sent to one of the seven SRA intake camps. Either from this camp or from one of the twenty-seven state work camps, he is transferred to a WPA work camp or project. Aliens, who had not received their first papers prior to June 21, 1938, and are therefore ineligible to WPA, are maintained in the SRA camps as permanent workers, assistants, and clerks. Thirty hours maximum work a week is required in the SRA camps, and there is no cash allowance except for permanent camp employees. The small cash allowance does not exceed ten dollars a month. The minimum time spent in SRA camps by those eligible to WPA certification is four days. If a client does not receive a WPA work order within four weeks, the case is investigated to discover the cause of the delay.

STATE EMPLOYMENT OFFICES HELP

There is close collaboration between camp managers and local and state employment agencies. Men who refuse to take private employment at prevailing wages and, after an investigation by a case worker are found "not justified" in such refusal, are dropped from camp relief. "Clients" who have left camp for temporary private employment are accepted back into the camp after their private funds have again become exhausted. Thus, the SRA camps function as a reservoir for agricultural and industrial workers and guarantee their sustenance during the slack periods. In this regard they could be considered along with other governmental programs of migrant aid as an indirect subsidy to the agricultural industry.

Those in charge of the SRA camp program estimate that approximately 50 per cent of the total camp population consists of migratory workers. With the element of force removed from camp certification, however, it is likely that camp population will diminish and that the SRA camp program will lose much of its significance as a factor in migrant housing.

This brief attempt to assess the housing facilities for the estimated quarter of a million single and family

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Tax Limitation — A Dangerous Device

By JAMES W. MARTIN, *Director, Bureau of Business Research University of Kentucky*

City, school, home owner all losers under tax rate limitation; local government credit impaired and fiscal responsibility lost to state; essential services slashed; substitute taxes fall heaviest on home owner and laborer.

WHY is it all the street lights are turned off and all the policemen gone?" My question, directed to a filling station attendant in a moderate-sized West Virginia city, was one I had been wanting to ask ever since I arrived in the state, for I had observed repeated evidences in several municipalities that something was wrong with the way cities were operated as compared with the past and with those in Virginia and Kentucky.

"The politicians have been doing something else foolish. They call it 'tax limitation,' and it is causing us no end of trouble in this town." Thus answered the filling station operative. Further inquiry revealed that this city, like other local government agencies in West Virginia, was experiencing the early effects of the 1932 constitutional amendment providing tax-rate limitation. This measure in conjunction with subsequent legislation to give it effect had strictly limited the tax rates which could be imposed on different classes of property by cities, counties, school districts, and other local government units; and no effective method of replacing the lost revenue had been discovered.

Investigation[1] showed that West Virginia local governments were adopting various means of dealing, or failing to deal, with the problems faced. Numerous schools were closed; some cities turned out their prisoners for lack of food or custodian; one municipality continued most of its usual governmental services so far as they could be operated by means of labor power alone through the voluntary contribution of services by local officials and employees.

Some cities which were not rendered wholly without resources cut salaries and wages drastically, discharged numerous employees, made shift without street lights, curtailed fire protection, discontinued garbage collection, street maintenance, and in other ways learned to do without essential services of local government.

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[1] No attempt to document this paper seems necessary. Among the best discussions to be found in recent tax literature are the following: New York State Commission for the Revision of the Tax Laws, *The Effect of a Two Per Cent Tax Limitation Law upon Local Government in New York State*, 1936 (note also two supplements to this report published as docs. 1937, No. 61, and 1938, No. 71); New York State Constitutional Convention Committee, "Tax Limits," chap. xi, *Problems Relating to Taxation and Finance*, 1938; Glen Leet and Robert M. Paige (ed.), *Property Tax Limitation Laws*, Chicago, Public Administration Service, No. 36, 1934; and A. Miller Hillhouse and Ronald B. Welch, *Tax Limits Appraised*, P. A. S. No. 55, 1937. The two last named contain good brief bibliographies.

These adjustments reflected a loss of city operating revenues aggregating 52 per cent for the cities of the state as a whole.

After two or three years of legislation, litigation, and local government starvation, the state worked out a large number of readjustments to meet the difficulties introduced by tax-rate limitation. Among the long-range adjustments the following are illustrative. Cities, counties, and school districts continued operation with reduced personnel paid at lower rates. In numerous cities welfare departments were dropped, health services continued on a limited basis only, city control of traffic was relinquished, and the utility services, including fire protection, were greatly restricted.

The secretary of the State League of Municipalities, speaking particularly of his constituents, put the matter succinctly: "Since 1932 West Virginia cities have either been building up operating deficits and tearing down public confidence in municipal government, or have been operating within strangulation budgets—attended by much citizen dissatisfaction and the destruction of public service morale."

Among the more general, statewide readjustments which have occurred are reallocations of certain functions among the different units of government. The establishment of the county as the school administrative unit by means of which the number of districts was cut from 398 to 55 was one of the most constructive. The administration of local highways was transferred to the state government with full responsibility for support. This eliminated about half of the expenses formerly incurred by counties exclusive of debt service.

But perhaps the most significant change was the abolition of local financial independence. This was accomplished by replacing the taxes formerly levied locally on tangible property with state taxes (a) on general turnover and on production of natural resources (increase in rates); (b) on consumer sales additional to the general turnover tax which of course fell on retail as on other transactions; (c) on personal incomes; and (d) on miscellaneous items such as chain stores and higher rates on inheritances.

STATE GRANTS NECESSARY

The localities came to be supported largely, in so far as functions were not transferred to the states, by the distribution of grants-in-aid. For example, school funds provided by the state were increased from one or two million in 1932 and before to about eleven and a half million annually after the adjustment. This shift has meaning beyond the simple fact that a substantial sum is provided by the state. The county school district, speaking generally, invariably levies all it can, and the differential quantity is the state-provided money. Thus, if the fact that localities tax themselves for the marginal funds provided causes a sense of responsibility, that advantage is lost when the local taxes cease to have any of the character of alternative levies. So it is with respect to other functions of local government.

It is significant that in West Virginia taxpayers generally did not secure any considerable long-run tax reduction. The revenues lost by taxation of property were made up by other means. The taxes which replaced the property tax revenues eliminated were of such character that they cost ordinary home owners significantly more than had the property taxes. The gainers were the holders of large amounts of realty in connection with their business, including real estate speculators, railroads, hotels, office building owners; and the losers comprehended individual home owners, farmers, laborers, and other consumers and small business men.

MICHIGAN, OHIO, AND WASHINGTON

The other states which have provided comparatively inflexible overall tax limitations include Michigan, Ohio, and Washington. The Michigan amendment differs from others in providing a local referendum. In these several states the experience parallels rather closely that in West Virginia. In Michigan it appears that the principal sufferer has been the public school system.

The long-range readjustments which have occurred include the assumption by the state of increased responsibility for the support of education. However, a number of cities have found it impossible even in the long run to maintain municipal services theretofore regarded as essential. Particularly have certain public works suffered as a result of the curtailment of public income.

Ohio, unlike several other states, has approached tax limitation more or less gradually. In 1911 the first measure was adopted, but in the depression period of the 1920's, its severity was considerably relaxed; so that until the constitutional amendment of 1933 the limitation, although far from being a matter of indifference to local government, was relatively less severe than in some other states—partly in that it supplied an opportunity for local government to provide reasonable support by resort to borrowing or special assessments. The 1 per cent limitation in 1933 operated to paralyze local government activity when it was originally enacted. It appears that the loss in local revenues in 1934 could not have been very much less than twenty-nine million dollars; although, of course, it is difficult to say exactly what decline in revenues resulted directly from the limitation amendment.

In some of the Ohio cities the amount which appeared to be available for all purposes did not exceed the sum needed to pay debt services. However, in the long range, through the readjustment of state revenue measures particularly the enactment of the 3 per cent consumers' sales tax, the lost revenues have been more than replaced. The consequence of the technique of replacement employed has been, among other things, the assumption by the state of added responsibility for education, poor relief, and certain other functions. Moreover, the distribution of revenue to the localities has, of course, not been proportional to the losses incurred.

Though it may be said that in Ohio—despite drastic reductions in school support, in the pay of municipal employees, in the adequacy of fire and police protection, and particularly in the maintenance of various services essential to health protection, all necessary as an immediate consequence of the 1934 tax limitation—the state has in large part readjusted its economy to the situation and the financial stringency has largely passed. The adaptation has been accompanied by material modifications in municipal services, however, especially in the method of financing them.

In Washington the limitation is not so stringent, although it has materially affected public finances. In order to take care of a situation in Washington not radically different from, although somewhat less stringent than, that described in West Virginia, the state has levied a general sales tax, a cigarette tax, and certain taxes on the gross of business enterprises. Whereas the total property levies declined somewhat, the revenues were supplied from these additional sources.

A general net income tax was also enacted in Washington, but the attempt to raise revenue by this means proved abortive since the Supreme Court of the state declared the measure unconstitutional. There has of course been considerable readjustment in the distribution of the functions of government. The differential support of education, as in West Virginia, has been shifted to the state; and the amount of money contributed centrally has increased somewhat more than five million dollars. Likewise the state has assumed financial responsibility for public highway construction and maintenance formerly shouldered by the counties.

Notwithstanding these readjustments the local units of government have been deprived of income adequate to support the activities for which they are still responsible. Some of the cities have undertaken to make up the losses by imposition of public utility and business license taxes and the employment for general fund purposes of municipally-owned utilities profits. Despite these efforts to raise increased revenue, curtailment of local expenditure similar to that described in West Virginia but somewhat less extreme, has been necessary.

LIMITATIONS IN OTHER STATES

In most other cases the states adopting over-all tax limitations have done so either with a view merely to preventing unduly rapid increase in property tax levies, or for the purpose of providing a very flexible maximum calculated to satisfy the economy demand without seriously crippling the conduct of public business.

The two states which have the oldest over-all tax limitation laws appear to be Oklahoma and Rhode Island. In Oklahoma the measure has been effective since the adoption of the original constitution in 1907, and in Rhode Island since 1878. Both of these early provisions had the same purpose as the numerous limitations of other sorts imposed in various state constitutions. The specified limit in both cases was generous—in Oklahoma, 3.15 per cent, and in Rhode Island, 2.5 per cent. Essentially the only effect of these general limitations was to encourage the use of alternatives to property tax levies. In 1933, however, Oklahoma adopted a constitutional amendment cutting the limitation to 1.7 per cent. This limit might have caused tremendously difficult problems but for the relatively effective planning with which it was accomplished. In consequence of this planning the alternative sources of revenue, including the cigarette and retail sales tax, as well as the revenue from certain other increased rates of state taxes, were developed a good deal more promptly than in most of the states, so that the local government services were not paralyzed to anything like the same extent as elsewhere. Moreover, the form of the limitation law in Oklahoma was perhaps less calculated to cause difficulty than in some of the other states. The reallocation of fiscal responsibility brought about by the Oklahoma limitation and other concurrent developments was substantial. This, however, has been obscured by the fact that some of the readjustments were initiated prior to the limitation amendment, and by the kindred fact that Oklahoma seems to have had for some years previously a consistent policy of shifting financial responsibility from local to state government.

Indiana typifies the flexible over-all rate limitation. Although at first the Indiana statute (there is in Indiana no constitutional limitation) imposed some hardships, particularly on townships and cities, the authorized exercise of administrative discretion has gradually alleviated the difficulties; and the only substantial effect in Indiana has been the reallocation of financial responsibility for the support of government and to some extent the consequent limitation of local initiative.

GENERAL EFFECTS ASSESSED

The effect of stringent tax limitation laws which has been most fundamental to state and local governments has probably been the destruction of local fiscal responsibility. The responsibility in turn has generally been assumed by the states. This shift in a fundamental of government policy has generally resulted from three factors. The first influence tending in this direction has been the immediate impairment of local government morale by the temporary destruction of financial resources. It is scarcely to be expected, and it is not generally true, that municipalities, for example, can fully recover from the impact of revenue losses following the adoption of tax limitation after alternative revenues are made available.

The second factor tending to impair the sense of local financial responsibility has been the outright transfer of governmental functions from localities to states. There is reason in many instances for asserting that these transfers were long overdue; but their accomplishment and the method by which the change was brought about have more or less injured the local sense of financial initiative.

The third consideration tending in this same direction is more illusive. It is believed, however, that local responsibility for levying *differential* revenues for educational and other purposes has engendered a sense of local responsibility which does not exist if the local levy becomes practically fixed and legally rigid, and the state grant-in-aid becomes the variable or marginal factor in local school support. Whether this influence is sufficiently serious to render expenditure plans more wasteful than formerly is open to question, but that some measure of local community sense of responsibility is lost can scarcely be doubted.

Study of the operation of tax limitation provisions discloses that the average home owner and laborer has been the principal loser. These provisions have usually secured the wanted effect of reducing real estate taxes. The first consequence (since normally anticipated real estate taxes are largely capitalized in land values) has been to give large holders of real property an uncompensated present at the expense of other taxpayers. The revenue losses have generally been replaced by tax measures which cost the average home owner and particularly the laborer far more than the amount gained through reduction of property taxes. Although the most usual replacement levy has been the general sales tax in one guise or another, frequently other consumption taxes have also been imposed and have in some measure been substituted for the real estate tax.

Tax limitations have seriously impaired local government credit where they were reasonably stringent, and particularly in those cases in which they have been embedded in the constitution. The difficulties along this line have been alleviated in some states by the form of the limitation and by the vigor with which the state undertook revenue readjustments to render possible the payment of debt services. It is not true in practice, however, that the adoption of tax limitation has materially relieved the public debt problem, reduced the average man's taxes, improved assessments, or otherwise constructively reformed the tax system —if one may adopt as a criterion of constructive reform the views of tax students generally.

In one essential respect tax limitation flies in the face of underlying economics of local government. In rural areas, either because farmers do not find it worth while and desirable to provide certain functions of government or because it is impracticable to do so, some types of government activity essential to cities are not undertaken. Illustrations are found in the extensiveness of police service, fire protection, and the provision for government action in behalf of important utility and sanitary services. These are economical and essential in urban communities. Moreover, real property in urban communities benefits more largely from government service than does rural land, and in consequence can reasonably be called on to pay far greater taxes. These principles are ignored by the proponents of tax limitations largely because, as has been shown, the proponents, the beneficiaries of the movement, are the owners of large business and industrial properties rather than home owners and farmers.

In actual practice to a considerable extent, however, the levies on owners of city real property are merely rendered indirect and differently distributed. One illustration is found in the practice in tax limitation states whereby cities impose the cost of sewage service, which is borne in other states by general property taxpayers, on those who directly utilize the service. Again garbage disposal services are assessed against local residents instead of being borne in proportion to property tax payments. The net result of these and other readjustments is partly to shift the load from the large owners of real property for business and speculative purposes to the owners and occupants of homes and to make the latter responsible for financing local government service.

This statement of the situation, of course, does not overlook the fact that a considerable part of the fiscal responsibility is transferred from rural to city dwellers, owing to the fact that state taxes to replace local real estate levies are paid more largely by urban taxpayers, in proportion to the grants-in-aid distributed, than they are by residents of rural communities.

EDITORIAL

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local level. And if we prove incompetent to govern ourselves on a small scale, what reason is there to believe we can do better on a national or international basis?

We may have gained something in sanitation when the general store with its red hot stove and open cracker barrel passed, but perhaps we ought to open a few schools for democracy at the crossroads to take their places.

WINE FROM THE "GRAPES OF WRATH"

(Continued from Page 618)

migrants in California has completely neglected the numerous related problems of education, medical care, and eventual absorption into the state's population. The fact should be evident that adequate migrant housing facilities are indeed meager when considered in terms of the total migrant population of the state. Any proposed solution should bear in mind that, so long as agriculture in California follows its present trend, migratory labor must be accepted as a necessary feature of this industry.

Governmental housing programs, then, are at best palliatives unless coördinated with some extensive program of low-rental homes for the permanent settlement of migrant families. This should be firmly tied to a program that would give these workers the opportunity through cooperatives and government credit of utilizing for their own benefits the results of scientific, mechanized farming. This is a national problem, and the people of the United States must soon decide whether or not they wish to perpetuate a dispossessed and ignorant agricultural proletariat.

Municipal Utilities: Profits vs. Taxes

By **JOHN BAUER,** *The American Public Utilities Bureau*

Contributions of publicly owned utilities to municipal governments much greater than taxes of private corporations; but should their profits be used thus, in lieu of taxes, or for reduction in rates charged the consumer?

PRIVATE utility companies have persistently blamed high taxes for high rates, and have insisted that if they were tax-free like municipally owned systems their rates would be lower than those of public plants. Except for taxes, they claim that their rates are lower, and even with taxes they do not really admit higher rates.

The municipally or publicly owned systems have not only asserted their rates are lower than those of private companies, but they point to their large profits, to their contributions made to general municipal purposes, and in various instances to tax-free municipalities due to electric plant profits.

These contradictory claims have been argued in many connections, but until recently have not been readily subjected to satisfactory factual check, much less to verification as to basic significance. While the significance may still be debatable, the facts have been quite definitely established by the rate studies and publications of the Federal Power Commission. In a recent report on *Rates, Taxes and Consumer Savings, Publicly and Privately Owned Electric Utilities,* the commission presents comparative data for the years 1935-1937. It thus disposes of factual doubt as to the tax factors and the comparative rates in municipalities of comparable size.

First the tax question: How great are the taxes paid by the private companies, and to what extent are equivalent contributions made in different form by the public plants?

This is answered by the commission for the year 1936. It obtained electric tax data for 691 private companies, which for 1936 obtained 99.4 per cent of the gross revenues of all privately owned electric systems. It thus covered substantially the entire private field, so that the showing is conclusive. For the United States as a whole, the private systems had aggregate gross revenues of $2,082,088,546, and paid total taxes of $275,235,763, including national, state, and local governments. The taxes thus amounted to 13.2 per cent of revenues. The figures are given also separately for each of nine geographic divisions, and there is close uniformity in the tax percentages. The highest is 14.2 per cent for the Middle Atlantic states, and the lowest 11.1 per cent for the West North Central.

While usually the public systems do not pay outright taxes, they furnish various equivalents in the way of accruals and cash contributions. The commission assembled the pertinent data for 537 municipal plants, which in 1936 had 81.6 per cent of the total gross revenues of all the public electric systems. It thus covered the bulk of the public operation, so that the results are representative. It presented the total revenues, and made two percentage showings as to equivalent taxes. First, it took the formal tax accruals and added the net cash contributions made by the plants to other municipal purposes; the amounts thus constitute cash tax equivalents. For the municipal systems, they amounted to 17.3 per cent of the gross revenues, compared with 13.2 per cent for private companies.

Second, besides taxes and net cash contributions, the municipal systems furnished also either free or especially low priced electric service for other municipal purposes, such as street lighting, water pumping, light and power for buildings, etc. The commission evaluated these services by applying to them the rates charged by private companies for like purposes in communities of comparable size. The difference between such theoretical revenues and the actual receipts was taken as the net value of free service. For all the public plants this amounted to 8.5 per cent of gross revenues. This was then added to the 17.3 per cent for taxes and net cash contribution, so that the total tax equivalent became 25.8 per cent of gross revenues compared with 13.2 per cent for private systems. The public plants thus contribute outright in cash a considerably higher percentage than the private, and through free service they increase their contribution to nearly twice the percentage of private companies.

The accompanying summary table presents for the United States and for each of nine geographic divisions the gross revenues of the public plants, the cash tax equivalent, and the total contribution, including free service, also the corresponding percentages of gross revenues, and finally the private tax percentages:[1]

Contributions of Public Plants

	Gross revenues	*Cash tax equivalents*		*Total tax equivalent including free service*		*Percentage Contributions Private Plants*
United States	$110,200,986	$19,085,953	(17.3%)	$28,448,130	(25.8%)	13.2
Geographic divisions:						
New England	7,724,562	1,000,573	(13.0%)	1,505,062	(19.5%)	13.5
Middle Atlantic	6,285,572	1,094,686	(17.4%)	1,580,070	(25.1%)	14.2
East North Central	23,827,241	3,255,882	(13.7%)	5,771,121	(24.2%)	13.2
West North Central	13,933,484	1,838,878	(13.2%)	3,402,525	(24.4%)	11.1
South Atlantic	14,245,433	5,407,857	(38.0%)	6,688,310	(47.0%)	12.4
East South Central	4,167,164	1,134,384	(27.2%)	1,551,472	(37.2%)	12.8
West South Central	5,402,602	1,835,736	(34.0%)	2,496,885	(46.2%)	11.6
Mountain	2,585,426	580,798	(22.5%)	856,704	(33.1%)	14.1
Pacific	32,029,502	2,937,159	(9.2%)	4,595,981	(14.3%)	13.6

While the average cash tax equivalent paid by public plants was 17.3 per cent of gross revenues, there was wide variation between the geographic divisions. The lowest was 9.2 per cent for the Pacific states, which is less than the private percentage in any one of the divisions. The highest was 38.0 per cent in the South Atlantic states, which is over twice the average for all municipal plants and nearly three times the average for all private systems.

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[1] The percentage comparisons included in this table are based upon *gross revenues* as determined under standard accounting. The commission, however, computed also *base revenue* and presented corresponding averages of those figures. I have used in this summary the standard gross revenue figures because they are simpler and show relatively the same general results. In addition, however, I doubt whether the refinement based upon "base revenues" really furnishes as valid comparisons as those predicated upon the simpler gross revenues, but an adequate discussion of this point is obviously out of place here.

With inclusion of free service, the municipal plants have an average of 25.8 per cent of gross revenues for the United States as a whole. The lowest for the individual divisions is 14.3 per cent for the Pacific, while the highest is 47.0 per cent for the South Atlantic. The latter represents nearly half of the gross revenues, and is almost four times the tax percentage of the private companies in the same division. In every instance the aggregate public percentage is substantially greater than the private.

ARE HIGH UTILITY TAXES JUSTIFIED?

There can be no doubt but that municipal plants make relatively much larger contributions to other public purposes than private companies. If the private taxes are high and stand in the way of desirable rate reductions, the municipal plant contributions must be regarded as much more burdensome and restrictive. This raises the question as to the significance or justification both of the high taxes paid by private companies and of the much greater contributions by municipal plants.

As to reasonable policy, there would probably be general agreement that electric utilities should contribute to various public purposes as does ordinary business. While there is no good reason for relieving them of normal tax levies, there is also no good reason for subjecting them to higher ones, except the alluring ease of collection. The high and increasing private taxes have been due primarily to the fact that rates were high and the companies were more able to pay taxes than business in general. The taxes were easy to put on, but they will also be hard to take off, and will thus stand as obstacles to future rate revisions.

There are two principal objections to placing higher taxes on electric utilities than on other business. First, the ultimate incidence of the taxes is inequitable. While the utility itself pays the taxes in the first instance, it includes them in its operating costs and charges them to the consumer. It merely serves as a tax-collecting agency. The taxes are included in the rates paid by consumers, along with other costs of furnishing the service. Actual tax payment is thus based upon quantity of electricity used, rather than taxpaying ability. It is in effect a "sales" tax, and involves the inequities of that type of tax. Furthermore, it is imposed cumulatively on the residential consumers, so that the ordinary or poor family is compelled to pay taxes in the same relative proportion for electricity used as the well-to-do or wealthy families.

The second objection against special electric utility taxes is the effect upon utilization. As rates are high due to taxes or to any other extraordinary costs incurred by a utility, they affect the extent of use. This applies to all consumption, but especially to residential consumption. To make electricity available as needed for various economic and social purposes, costs should be kept as low as possible. If special taxes are imposed, their ultimate significance is restriction of utilization and limitation to the economic and social advances which depend upon low cost electricity.

TAX EQUIVALENTS AND RATES

When the commission shows that municipal plants make direct contributions which average 17.3 per cent of gross revenues, and in addition furnish free service, bringing the total percentage up to 25.8 per cent, a serious question arises not only as to the equity of the taxes but especially as to the effect upon rates and utilization.

This question becomes intensified when applied to the geographic divisions which have the strikingly high percentages. The nine divisions may be placed into two groups: (1) the three southern divisions, and (2) the six others. The first group has especially high percentages, ranging from 27.2 per cent to 38 per cent for cash tax equivalents, and from 37.2 per cent to 47 per cent with the inclusion of free service. These high percentages give special significance to inquiry as to rates and utilization.

As to the bearing on rates, Table I of the commission's report presents a comparison of average typical net monthly bills in the residential service, between privately and publicly owned electric utilities. The bills are given by geographic divisions for three typical quantities of consumption, 25 kilowatt hours per month, 100 kilowatt hours, and 250 kilowatt hours, separated into five population groups, including municipalities of 50,000 population and over, 10,000 to 49,999, 2,500 to 9,999, 1,000 to 2,499, and 250 to 999. In each instance the public is compared with the private monthly bill as of January 1, 1937. The relative showing of the three southern divisions, with their high percentage of tax equivalents, appears significant in the tabulation.

For municipalities of 50,000 population and over, there are only seventeen public plants, and there are three geographic divisions without any public plant. Consequently there are altogether eighteen comparisons for six divisions and three consumption groups. Of the eighteen comparisons, there are only five instances of higher public bills than private; but of the five, four are in the southern divisions.

In the next population group, 10,000 to 49,999, there are altogether 118 plants, with twenty-seven comparisons between public and private bills; of the twenty-seven, six show higher municipal bills, and all six are in the southern divisions. In the next group, 2,500 to 9,999 population, there are twelve higher municipal showings, of which nine are in the southern divisions. For 1,000 to 2,499 population, there are seventeen higher municipal bills, of which nine are in the southern divisions. In the final group of 250 to 999 population, there are eighteen higher municipal bills, of which six are in the southern divisions.

These comparisons show that with the exception of the very small municipalities, the preponderance of higher municipal bills appears in the three southern divisions. This correlates with the high electric plant contributions to general municipal purposes. The rates are kept high so as to keep taxes low. Whether any or many municipalities are completely tax free is of secondary importance; the average reliance on utility profits in lieu of taxes is impressive.

HIGH RATES AND UTILIZATION

The effect of high rates is low utilization. Unfortunately, the commission's studies do not cover this phase of electric operation; consequently comprehensive and authoritative comparisons and conclusions cannot be drawn.

More limited surveys, however, have often emphasized the fact that consumption depends upon rates, that rate reductions almost always bring about increases in utilization and recovery of lost revenues, and that low rates with high consumption are better long-run policy even for the utilities, than high rates and low consumption.

Partly to supplement the studies made by the commission, so as to correlate rates and consumption, I gathered financial and operating data for the municipal systems of 50,000 population and over for the year 1936. Among the information supplied by fifteen municipalities were included the gross revenues derived from the residential service, the kilowatt hours used, and the number of consumers at the end of the year; then the average monthly consumption was computed and compared with the average revenue per kilowatt hour. The comparative figures show almost direct correlation between rates and consumption; the higher the rates, the lower the consumption.

Tacoma had by far the greatest average consumption, 134 kilowatt hours per month per customer, and had also by far the lowest average rate, 1.7 cents per kilowatt hour. On the other extreme was a plant with an average of 4.4 cents per kilowatt hour and an average consumption of only 39 kilowatt hours. The next highest utilization was by two plants, with 97 kilowatt hours each, and with the next lowest rates. With one exception which represented unusual conditions, the correlation between low rates and high consumption, or the reverse, was strikingly shown by the comparative figures.

In a survey of municipal plants in North Carolina, Mr. Clarence E. Kuhlman found close relationship between rates and consumption.[2] I found like results for eleven plants in New Jersey. Every study of consumption and rates that has come to my attention brings out the same correlation. I have no doubt but that a comprehensive countrywide survey would show that municipal plants with high contributions to other municiple purposes have high rates and low consumption averages.

For the most part, municipal managements have had their attention more on immediate profits than utilization. They have obtained substantial profits, but have not promoted consumption according to desirable community development. Even the fifteen public plants in cities of 50,000 population and over had average consumption of only 71 kilowatt hours per month; but exclusive of the three cities with markedly high consumption, only 61 kilowatt hours. For reasonable domestic use the average should be more than double.

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[2] An unpublished study of a doctoral dissertation at the University of North Carolina. I read the manuscript and had access to the figures.

There is no doubt but that municipal plants have done an excellent and competent job for their communities. As a broad average they have had lower rates than the private companies in similarly sized municipalities, have contributed much more to general municipal purposes in lieu of taxes and in addition have built up their systems extensively out of earnings. For fifteen municipal systems in cities of 50,000 population and over, as an average only 44 per cent of the gross plant investment remains unamortized, and the total plant debt outstanding is only $158 per customer, which is less than one-third of the average capitalization of the private systems. In every substantial study of plant investment and debt, the fact appears that the municipal plants have been extensively financed out of earnings and are thus in excellent position to furnish low cost service for the future.[3]

FUTURE RATE POLICY

The municipal systems are confronted with a question of policy for the future. Will they continue keeping rates and profits high to relieve general municipal taxation, or will they lower rates, reduce profits, and concentrate on the development of utilization?

In general, the answer should be clear. The function of an electric plant is to furnish service for all economic and social purposes at as low rates as are obtainable under efficient operation. While it should contribute to the general municipal support along with other business, it should not be used as a special medium of tax collection. Its public justification depends fundamentally upon its promotion of community advancement, rather than as a means of taxation. This applies to private as well as public systems.

While this perspective appears fundamental, it should be applied with sufficient flexibility to meet the practical financial conditions of the municipalities. Throughout the country there have been extraordinary financial needs during the depression, and they will continue indefinitely for the future. Where a municipality has depended extensively on plant profits, it cannot make an immediate shift to sharp rate reductions and greater taxes. It should adopt a somewhat long-range program of gradual rate reduction and positive stimulation of consumption. During a period of five years it can bring rates down and build up utilization to much higher levels without great sacrifice of net earnings. This is the course which I have induced a considerable number of municipalities to adopt, and should be clearly envisaged by all municipal plant managements.

A special phase of policy appears where a municipality is considering the establishment of a municipal plant to replace the existing private service. Often the immediate appeal is the availability of profits to supplement the municipal revenues derived from taxes, rather than low costs and rates for community advancement. Unfortunately, most cities have been put under severe tax restrictions,

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[3] The figures for plants in cities of 50,000 population and over are taken from *The Electric Power Industry—Development, Organization and Public Policies*, by John Bauer and Nathaniel Gold, Harper & Bros., 1939.

Low-Rent Housing Builds on Sound Money

By LEON H. KEYSERLING
Deputy Administrator and Acting General Counsel,
United States Housing Authority

Cooperation of federal and local governments in low-rent housing projects stimulates drive on slum clearance; better housing for "one-third of the nation" makes rapid strides.

ON JULY 4, 1939, America celebrated a great victory in the nationwide war on slums. That day saw the opening of low-rent housing projects for slum dwellers in four cities of three widely separated states —Buffalo and New York City, New York; Jacksonville, Florida; and Austin, Texas.

Behind this dramatic beginning lies a prosaic tale of coöperative municipal and federal financing.

Under the terms of the United States housing act of 1937,[1] the United States Housing Authority makes repayable loans and annual subsidies to local public housing agencies authorized by state enabling legislation to engage in the development or administration of low-rent housing or slum clearance. In order to obtain such aid from the United States Housing Authority, a duly authorized public housing agency (usually known as a local housing authority) agrees to:

(1) Raise at least 10 per cent of the construction or development cost of a project;

(2) Secure from the state, county, city, or political subdivision in which the project is located, in the form of cash, tax exemption or tax remissions, at least 20 per cent of the USHA annual contributions;

(3) Observe the statutory limitations on construction cost of dwelling facilities;

(4) Require the payment of wages or fees prevailing in the community to all architects, draftsmen, engineers, technicians, laborers, and mechanics;

(5) Rent the completed projects only to families in the lowest income groups now inadequately served by private enterprise with decent and sanitary housing;

(6) Eliminate one substandard dwelling for every new dwelling constructed.[2]

Although financially aided by USHA, the local housing authority is principally responsible for its slum clearance and low-rent housing program. It makes its own plans, lets its own construction contracts, builds and manages its own project.

A housing authority may borrow not more than 90 per cent of the construction or development cost from the USHA for a period not exceeding sixty years. The remainder may be borrowed from local sources—the city government, local banks, or private investors. Both the loans from the USHA and from private sources are evidenced by bonds of the local housing authority. These bonds, issued to the USHA, generally bear interest at 3 per cent.[3] In this connection, the USHA has found that the bonds evidencing the 10 per cent local share of the development cost are considered highly attractive by investment houses throughout the country—indeed so attractive that, according to present indications, these bonds will be sold at an interest rate of less than 3 per cent.

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[1] United States Housing Act of 1937, as amended (50 Stat. 888, as amended by 52 Stat. 820; 42 U. S. C. Sup. IV, 1401 et seq.), otherwise known as the Wagner-Steagall act.

[2] For details concerning these points see "Legal Aspects of Public Housing," by Leon H. Keyserling, in *Housing Monograph Series No. 2,* National Resources Committee (U. S. Govt. Printing Office).

LOCAL GOVERNMENT AID

Many local authorities, once created, need funds to cover their initial organizational expenses before projects are under way. By advancing funds for early administrative expenses of the authorities, by cooperating in surveys, by providing office space, by lending personnel, municipal governments have been demonstrating their eagerness to facilitate the work of local housing authorities. Judicial approval for cooperation between municipalities and their local housing authorities has been widespread. In Georgia, Indiana, Kentucky, Louisiana, Montana, North Carolina, Pennsylvania, and South Carolina, the highest state courts have declared that an authority may secure preliminary organizational expenses, or donations of land, money, or services, from a city.[4]

For example, in the Wilmington case in North Carolina, the court held that a city, with or without monetary consideration, may lawfully convey real estate to a local housing authority for housing purposes, since benefits received by the municipality in furthering the purposes of the housing act were adequate. In the New Orleans case the court also held that a city may close streets within a project's area with the approval of the abutting owner, the local authority. The West Virginia decision makes the significant declaration that a project may be built in any area, whether slum or not slum, "within the sound discretion of the federal and state authorities and the council of the city."

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[3] The rate of interest on USHA construction loans must be not less than the going federal rate of interest at the time the loan is made, plus ½ of 1 per cent (totalling 3 per cent or 3¼ per cent, to date).

[4] Georgia: *Williamson* v. *Housing Authority of Augusta, et al.,* 186 Ga. 673, 199 S. E. 43 (Sept. 21, 1938) see pp. 51, 54. Indiana: *Edwards, et al.,* v. *Housing Authority of the City of Muncie, Indiana, et al.,* 19 N. E. (2d) 741 (March 13, 1939). Kentucky: *Spahn, et al.,* v. *Stewart, et al.,* 268 Ky. 97, 103 S. W. (2d) 651 (Feb. 19, 1937, extended March 26, 1937) see pp. 660-661. Louisiana: *State ex rel. Porterie, Atty. Gen.* v. *Housing Authority of New Orleans, et al.,* 190 La. 710, 182 So. 725 (June 27, 1938; Rehearing denied, July 8, 1938) see p. 733. Montana: *L. F. Rutherford, et al.,* v. *The City of Great Falls, et al.,* 86 P. (2d) 656 (January 21, 1939) see p. 659. North Carolina: *Wells* v. *Housing Authority of Wilmington, et al.,* 213 N.E. 744, 197 S.E. 693(June 15, 1938) see p. 698. Pennsylvania: *Dornan* v. *Philadelphia Housing Authority,* 331 Pa. 209, 200 Atl. 834 (June 30, 1938) see p. 844. South Carolina: *McNulty* v. *Owens, et al.,* 188 S. C. 377, 199 S.E. 425 (October 13, 1938) see p. 430.

Other cases (favorable) interpreting state housing authorities laws include:

Alabama: *In re Opinion of the Justices,* 235 Ala. 485, 179 So. 535 (March 17, 1938). Florida: *Marvin* v. *Housing Authority of Jacksonville, et al.,* 183 So. 145 (July 27, 1938). Illinois: *Paul A. Krause, et al.,* v. *Peoria Housing Authority, et al.,* 19 N. E. (2d) 193 (January 26, 1939). New York: *New York City Housing Authority* v. *Muller, et al.,* 270 N. Y. 33, 1 N. E. (2d) 153; See also, 155 Misc. 681, 279 N. Y. 5, 299 (March 17, 1936). Tennessee: *Knoxville Housing Authority, Inc.* v. *City of Knoxville, et al.,* 123 S. W. (2d) 1085 (January 21, 1939). West Virginia: *J. Paul Chapman* v. *Huntington, W. Va., Housing Authority,* 3 S. E. (2d) 502 (June 13, 1939).

The USHA rent subsidies toward a low-rent housing project are paid on a yearly basis as "annual contributions" designed to reduce rents after the project is completed. The grants-in-aid, both federal and local, represent the amounts necessary to get rents in the project down to a level within the means of slum dwellers. In simple terms, the subsidies represent financial assistance bridging the gap between economic rent (the rent which would otherwise have to be charged for decent new housing in order to pay the costs of debt service, operation, management, repairs, vacancies, insurance, and taxes) and social rent (the rent that families now living in slums can afford).

USHA CONTRIBUTIONS

In percentage terms, the USHA grants-in-aid amount to about one-third of the economic rent. The local contributions represent about one-sixth of the economic rent. Together, the USHA annual contribution and the local contribution approximately halve the economic rent.

Under the United States housing act, the USHA may make two alternative types of subsidy—capital grants or annual contributions. A capital grant may be made to the extent of 25 per cent of the development cost of a project, plus an additional 15 per cent from relief funds for the payment of labor used in the development. In no instance, as yet, has the capital grant subsidy been made. After painstaking analysis of the rent-paying ability of families now occupying substandard homes in the lowest-third income group in their communities, and after considering every possible reduction in costs, the local authorities have, to date, found it impossible to get rents low enough without federal and local annual contributions. In every case, rents simply mount too high for low-income families.

The alternative subsidy has therefore been used. This plan allows annual payments for a period not exceeding sixty years in an amount not exceeding the going federal rate of interest plus 1 per cent upon the development cost of the project.[5] Of course, annual contributions are strictly limited to the amounts and periods necessary to insure the low-rent character of the project, considering "cost, location, rent-paying ability of prospective tenants," or other factors bearing upon the amounts and periods of assistance needed to achieve and maintain low rentals. Moreover, according to the United States housing act, "regulations may provide for rates of contribution based upon development, acquisition or administration cost, number of dwelling units, number of persons rehoused, or other appropriate factors."

In the future, as the economic conditions of a city change, smaller subsidies to rehouse slum dwellers may be needed. Analysis of normal rent and income trends suggests that the necessary grants-in-aid will gradually decline. Consequently, it is unlikely that the annual contributions to be contracted for will last sixty years. The United States housing act provides the modification of these contracts as warranted by changing economic conditions. All annual contributions contracts, whenever made for a period exceeding twenty years, will be reviewed by USHA at the end of ten years and every fifth year thereafter. Whatever the findings of the review, the annual grants-in-aid can never be raised above the maximum rate limited by the act and guaranteed by contract.

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[5] The "going federal rate of interest" is the annual rate of interest specified in the then most recently issued bonds of the federal government having a maturity of ten years or more. United States Housing Act, Sec. 2 (10).

LOCAL SUBSIDIES

The United States housing act requires that the USHA annual contributions cannot be made unless the state, city, county, or other political subdivision in which the project is situated shall contribute, in the form of cash, tax remission, or tax exemption, an amount equal to at least 20 per cent of the USHA annual contributions. The form which the local contribution usually takes is the exemption of the project from all local taxation. In some cases, where the necessary rent-levels permit, a small service charge in lieu of part of the taxes is made.

CASH SUBSIDIES VS. TAX EXEMPTION

In the December 1938 issue of the National Municipal Review, an article making a brief for cash subsidies as compared to tax exemption contained the statement that donations of land may be offered as part of the local contributions. The USHA has in no instance considered and under the law cannot consider donations of land as part of the local annual contributions. This error may have its basis in the fact that donations of land may be offered as a portion of the local community's 10 per cent share of project development cost.

A more serious misconception in the article was its statement that the properties in which the rehoused slum dwellers formerly lived contribute their fair share to tax revenues. It ignores the almost universal fact that slum properties have long records of tax arrears. For this reason, among others, tax exemption of low-rent housing that has replaced slums causes almost no perceptible increase in tax rates upon solvent properties.

The article deplored tax exemption as an invitation to elaborate and ornate construction. Yet the United States housing act provides (Sec. 15 (5)) that the dwelling facilities cost of dwelling units cannot exceed $1,000 per room and $4,000 per dwelling unit where the project is located in a city of less than 500,000 population, or $1,250 per room and $5,000 per dwelling unit in larger cities. As a matter of factual achievement, the estimated average net construction cost of projects on which construction contracts had been let up to January 1, 1939, was $2,830. Several projects recently approved will have an *over-all* cost ranging between $2,500 and $3,000 for each family dwelling unit.

It should be explained that the term "net construction cost" means the cost of building the house—that is, the cost of plumbing, heating and electrical installation (or the same items included in the data on building permits published by the Bureau of Labor Statistics of the United States Department of Labor). Thus, as used in connection with USHA-aided projects, this term is directly comparable to the cost of private housing. The term "dwelling facilities cost" means the cost of items included in "net construction cost" figures, plus the cost of dwelling equipment, plus architects' fees, local administrative expenses, and financial charges during the period of construction. The term "over-all cost" means the cost of the items included in the two previously mentioned terms, plus the cost of the land and of non-dwelling facilities—including, in short, all costs of the project except the cost of slum buildings to be torn down.

COST OF LOCAL TAX-EXEMPTION

To discuss the matter concretely, let us assume that a city of 200,000 population undertakes a $2,000,000 project to rehouse 500 families. Full taxes on this project would amount to about $40,000 a year (at a conservative 2 per cent rate, with assessed valuation equal to 100 per cent of full valuation). But a study of taxation in slum areas in cities of various sizes shows that taxes actually levied on the former slum homes of these 500 families probably did not exceed $40 per family per year, based upon an average assessment of $2,000 for slum homes, and a large proportion of even this amount was undoubtedly delinquent. Thus the actual loss of revenue to a community when it exempts its new project from taxation is not $40,000, but less than $16,000.

If the value of all the property in "Your Town" is assumed to be about $400,000,000 (at $2,000 per capita), the total property tax levy for the whole city would amount to $8,000,000 a year. Exemption of the 500 rehoused families of very low income from taxation would thus deprive a community of only about two one-thousandths of its annual tax revenue. Theoretically, then, the average home owner with a property worth $5,000 would pay a maximum tax increase of some 20 cents per year.

But the question may well be asked: How much would it cost to do the whole job in this city? Assume that the community decides to undertake a program to rehouse 20 per cent of its 200,000 inhabitants or 10,000 of its 50,000 families. In order to achieve rents within the reach of the city's 10,000 low-income families, 10,000 new homes will have to be exempt from taxes. What, as a result, will be the effect on the balance sheet?

Again using the figure of $40 as an approximation of the average property tax charged annually to these 10,000 families living in the slums, the removal of these slums from the tax rolls and the substitution of tax-exempt public housing would cut off only about 5 per cent of the city's total property tax levy of $8,000,000. Therefore, even if no tangible profits of any kind resulted from the rehousing program in the form of additional sources of revenue and savings in the costs of government, and assuming that full taxes are ordinarily collected in the slums, the removal of all these families from the tax rolls would only raise the present 2 per cent tax to 2.1 per cent.[6]

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[6] For a related phase of tax exemption under homestead laws, see: NATIONAL MUNICIPAL REVIEW, March 1939, "Iowa Tries Tax Exemption" (p. 200); May 1939, "Mississippi Provides Tax-Free Homes" (p. 365). For tax delinquency rural and urban, in New Jersey and Wisconsin, see April 1939, "New Jersey One-fifth Tax-delinquent" (p. 279).

Moreover, the loss in tax revenue, even though it is a theoretical loss, will probably be offset by the saving in municipal health and police services due to the wholesale elimination of slum hovels and by the benefits derived from the investment in enduring public improvements.

Other advantages also flow from public housing projects. For example, the purchase of the necessary property by the local housing authority necessarily means full payment of back taxes by the former owner. Some of the worst homes in the city are cleared. Rotten slum districts are replaced by modern housing projects. Adjacent areas take on new life.

In short, since slums must be paid for in any eventuality, the choice lies between slum maintenance in increased municipal service outlays or in the maintenance of the public housing project.

Significantly, by raising property values in nearby neighborhoods, and by stimulating private construction, a slum clearance and public housing program brings surprising results. New stores, new motion picture theatres, new homes are arising in the neighborhoods of many of the public housing projects. The owners of residences and apartment houses nearby tend to remodel, repair, paint, and beautify their own structures.

COURTS APPROVE TAX EXEMPTION

It is important to note that tax exemption has been judicially approved as an essential prerequisite to full local participation in the USHA housing program. Tax exemption of public housing projects has been declared constitutionally valid by the highest courts on the following bases, in the states indicated:

(1) Property of municipal corporations: Alabama, Illinois, Montana, North Carolina, Tennessee; (2) Property of public charitable institutions: Georgia, Illinois; (3) Property used for exempt municipal purposes: Florida, South Carolina; (4) Property used for public purposes: Georgia, Indiana, Louisiana, North Carolina, Pennsylvania, South Carolina, Tennessee, West Virginia.

Whether by judicial pronouncement, by self-executing constitutional provision or constitutional implication, or by statutory statement, there is abundant authority for the exemption of public housing projects from taxation in most of the thirty-eight states now possessing enabling housing legislation.

FULL TAXATION PROHIBITS LOW RENTALS

In order to operate a 450-family project (development cost, $2,000,000, including land, slum demolition, dwelling and non-dwelling facilities) and pay back the money borrowed from the USHA and from local investors, the local housing authority, with the help of the USHA annual contributions, would need to charge no more than $3.50 rent per room per month (excluding utilities) or $14 rent for a four-room unit.[7] But full annual taxes would amount to $40,000, at a 2 per cent rate, for the entire project, or $1.85 per room per month. Full taxes would in effect levy about three times as much taxes on project dwellings as were levied on the slum homes. Hence the rental for a four-room dwelling would be increased from $14 a month to $21.40, an increase of about 50 per cent!

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[7] This figure would be lower in the typical small town, and might be higher in large cities.

What would the result of this increase be in rentals? First, it would automatically exclude slum dwellers from residence in the public housing development. Many slum families can afford to pay $14 shelter rent monthly for four rooms, requiring an average annual income of only about $750; but almost none can pay more than $20, a rental requiring an average annual income above $1050. Moreover, the project would tend to encroach upon the group of tenants adequately served by private enterprise. The relatively high rentals brought about by the necessity of paying full taxes would draw families who might afford to live in acceptable homes provided by private builders.

As already noted, every conservative estimate points to the future reduction of USHA and local contributions. The current trend in the financing of the construction or development cost of the projects is equally promising. At present, the maximum USHA share of the development cost of a project, 90 per cent, is for the most part being borrowed from private sources and the minimum local share of the loan cost of a project, 10 per cent, is being borrowed from local sources.

Today, the USHA is encouraging gradual investment of idle private capital in the development of public housing projects. The local housing authority is being encouraged to borrow above 10 per cent of its project construction cost from sources other than the federal government. In this way, USHA loans for construction may be reduced to less than 90 per cent. In the near future, the local housing authority may be able to borrow 20, 30, or 50 per cent from local sources and USHA may need to supply only 80, 70 or 50 per cent of the project development cost. With the entrance of private capital into the field of public housing by financing more than 10 per cent of the cost of housing projects, vast and untapped sources of capital would be released for investment in a field where capital investment is lagging markedly.

BONDS AS LEGAL INVESTMENT

Since the beginning of the year, laws enacted in thirteen states have made bonds of housing authorities legal investments for both public and private funds. All of them (excepting Connecticut and New Mexico[8]) provided that the public agencies of the state, banks, insurance companies, building and loan associations, trust companies, and other financial institutions and fiduciaries could invest in bonds issued by any housing authority in the United States when such bonds are secured by annual contributions to be paid by the United States Government. The enactment of such laws indicates that the states regard the bonds of housing authorities, secured by a pledge of USHA annual contributions, as sound investments.

Under the present federal going

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[8] In these two states only bonds issued by their own local authorities are legal investments. Connecticut authorizes savings banks to invest 5 per cent of their deposits and surplus in certain bonds of housing authorities in the state. New Mexico authorized public bodies and private financial institutions to invest in obligations issued pursuant to the state housing act.

rate of interest, USHA annual contributions may constitute as much as 3¾ per cent of the project development cost. This amount is approximately equal to the amount necessary annually to meet principal and interest payments on all the bonds issued by the local authority, both those purchased by the USHA and by private investors. As a matter of law, the statement in the United States housing act that the faith of the United States is solemnly pledged to the payment of all annual contributions thus contracted for recognizes that the federal government's obligation under an annual contributions contract is the same as the direct obligation of the government on its own bonds. The act also provides that payments under annual contributions contracts shall be pledged as security for any loans obtained by the local authority to assist the development of the project.

To survey the entire national scene, in the following twenty-three states bonds of local housing authorities are now legal investments for public and private funds: Arizona, Arkansas, California*,[9] Colorado*, Florida*, Georgia*, Idaho*, Illinois, Louisiana, Maryland*, Michigan, Mississippi, Montana, New Jersey, New Mexico, New York, North Carolina, Ohio, Rhode Island*, South Carolina*, Tennessee*, Texas*, Washington*.

In addition to the twenty-three states listed above, in the following five states bonds of local housing authorities are legal investments for public funds: Indiana, Massachusetts, Nebraska, Oregon, Wisconsin.

To sum up, there is no mystery or statistical juggling in the financing process of the USHA slum clearance and low-rent housing program. The financing of public housing projects is open, sound, and conservative.

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[9] In states marked *, bonds of any housing authority or agency in the United States are also legal investments for both types of funds.

Editor's Note.—This is the second of two articles on municipal housing authorities. The first, "Our New Municipal Landlords," by Morris B. Schnapper, appeared in the June 1939 issue.

Illinois Legislation Council Completes Its First Year

By CHARLES M. KNEIER, *University of Illinois*

New body, although proceeding cautiously, has demonstrated its usefulness to General Assembly; increased appropriation for next biennium insures expansion of work well begun.

AS EARLY as 1913 an unsuccessful effort was made in Illinois to create a legislative council. While designated as a joint commission, the composition and functions of the proposed body were those of a legislative council. An attempt was again made in 1935; but it was not until the 1937 session that a council was actually created, with its research department being organized in June 1938. The council has thus completed its first year of work, which included a biennial session of the legislature.

The Illinois council is composed of ten senators, appointed by the President of the Senate upon the recommendation of the Executive Committee, and ten representatives, appointed by the Speaker of the House, with the President of the Senate and the Speaker of the House ex-officio members. The law provides that representation on the council shall be in proportion generally to the relative strength of the political parties in each house, but in no event may the majority party in either house have more than two-thirds of the members from that house.

The Illinois statute provides that the members of the council from the House shall be appointed during each regular session. The Speaker of the House has interpreted this to mean that all council seats of House members are vacant and must be filled at each session. Council members who returned to the House were, however, reappointed by the Speaker, new members being appointed only to fill the seats of those not re-elected.

In the case of the Senate, the statute provides that the President of the Senate shall appoint only the number of senators necessary to provide its representation of ten members. This has been interpreted to mean that, once appointed, membership continues as long as the person continues in the Senate.

The council may meet as often as necessary, but it must meet at least once in each quarter. In actual practice several special meetings have been held at the call of the chairman. Committees of the council have held public hearings in Springfield, Chicago, and other cities in the state on questions pending before the council.

The purpose of the Illinois Legislative Council, in the words of T. V. Smith, former State Senator and now Congressman at Large from Illinois, who was responsible for its creation, is "to unite scientific intelligence and political sagacity in the service of the state." In the preamble to the act it is stated that legislative planning and formulation will "by being recognized and made properly antecedent to regular sessions, conserve legislative time, save unnecessary expense, improve ensuing debate, and restore legislative activity to the high place in government and public esteem which it merits." At the time the council was created the hope was expressed that it would formulate a legislative program for submission at the opening of a session; that through its research department it would make available to the members of the legislature facts on questions of public policy on which they would be required to pass judgment; that through the formulation of such a program the time of the legislature would be conserved and ultimately that legislative sessions might be shortened; and that the council might replace special interim commissions.

Under council rules proposals may be introduced by any member of the General Assembly, but of the sixteen proposals thus far introduced, only one has been by a non-member of the council. These proposals are discussed by the council as a whole or referred to a committee. If the matter is one of general significance, which will probably be up for consideration by the General Assembly, it is referred to the research department for study. Thirteen reports have now been prepared by this department. When the report has been prepared, it is submitted to the council for its consideration and a copy sent to each member of the General Assembly.

The council must complete its recommendations at least thirty days prior to any session of the General Assembly to which they are suppmitted. One important question of policy which was given early consideration was as to whether definite recommendations should be made either by the research department or by the council. It was generally agreed that the reports of the research department should be factual, without recommendations. In many cases alternative courses of action are indicated with a listing of the arguments for and against each possibility.

A more difficult question was as to whether the council itself should take definite action on proposals submitted to it and make specific recommendations regarding the enactment of laws. For the first session at least, it was decided that reports would be submitted to the General Assembly without recommendation.

NO RECOMMENDATIONS MADE

On only five of the thirteen subjects covered in the reports were bills submitted by the council, and in each case there was no recommendation other than that implied by their submission. The actual drafting of bills is done by the Legislative Reference Bureau which is not connected with the council. Bills prepared for the council have in each case been introduced by the member especially interested in its subject matter.

Several of the research department's reports were used by private agencies which drafted bills based on the material found therein. The reports were also used in support of bills before committees, and on the floor of the two houses they were sometimes quoted either in support of or in opposition to a bill.

To achieve its greatest usefulness the council should ultimately have as its goal the formulation of a legislative program, including the submission of bills with a recommendation for passage by the General Assembly. The danger in this procedure, of course, is that opposition may develop on the ground that the council is assuming the position of a "little legislature" and attempting to do the thinking for the entire body. Some criticism of this nature has been voiced in Illinois. Such criticism can probably be avoided if it is made clear that bills are submitted only as a basis for consideration and that the council will make no attempt to force its ideas on the legislature. The council must convince the members of the legislature that it is not seeking credit for the council *per se* but is interested only in securing desirable legislation. Such action has already been demonstrated by members of the council who in the recent session permitted their own bills to die when similar legislation was introduced by non-members.

COÖPERATION WITH PRIVATE GROUPS

Some of the proposals have specifically authorized the research department to coöperate with private organizations in preparing research reports. In others this has been done at the suggestion of the sponsor of the proposal or by the research department on its own initiative. A revision of the revenue act was made in coöperation with the Illinois State Bar Association; a study of tax delinquency in Cook County was made in coöperation with the Citizens Committee on Tax Collections in Chicago. In one of these cases the resulting bills were handled by a member of the council and in the other by a non-member.

One of the questions discussed in connection with legislative councils is as to how successful they have been in securing the enactment of legislation. Since the Illinois council has made no definite recommendations this question has not arisen. On five different subjects the council or one of its committees either drafted or coöperated in the drafting of bills. A total of nine bills were submitted on these five subjects; seven of them, on four of the subjects, were either passed or substantially identical bills were passed. It is generally felt that the council rendered its greatest service in securing a codification of the revenue laws, the statutes governing property tax assessments and collections having been enacted at various times since 1872 with no restatement or codification during that period. While the school bills sponsored by the council were dropped by the member introducing them when substantially identical bills were introduced by a non-council member, it is generally accepted that the school legislation which has been passed in the session just closed is of greater significance than that passed for several years and that the research report and work of the council have been of value in securing this result.

In some respects the number of bills passed is not a satisfactory test of the work of a legislative council. Thus a council might authorize a research study on a timely public question and decide that legislation is not needed. Certainly we cannot assume that all research reports should result in positive legislation. If it is an important public question on which public opinion is divided and which will undoubtedly be considered by the legislature, the council might draft a bill and submit it, even though it believes such legislation is not needed. Another approach, however, would be for the council to submit no bills and specifically recommend that no legislation be enacted on the particular subject.

Thus far the existence of the council has not reduced the number of interim commissions, which its advocates claimed to be one of its advantages. In debates on some of the bills establishing interim commissions the argument has been advanced that this was a question which should be handled by the council; generally, however, the argument was made and accepted that there was sufficient work for the council and also the proposed interim commission. It is believed, however, that with the council established and functioning, there will be a decreasing use of the special commission.

The feeling that a legislative council is a "little legislature" attempting to dictate to the members of the General Assembly appears to be more general than in the case of special interim commissions. In view of the specific and definite recommendations made by the interim commissions this may be accounted for by the fact that the council is a continuous body and not limited in the scope of measures to be considered as is the commission.

An encouraging sign has been the introduction of resolutions in the General Assembly calling upon the council either to make or to coöperate in making studies on specific subjects. During the session just closed, the research department coöperated with a joint commission of the General Assembly in making a study of highway administration. The commission called in an expert on highway administration but also requested the coöperation of the council. Some of the bills creating special interim commissions also provide for its coöperation.

OTHER DEPARTMENTS HELP

In the work of the council and especially in the preparation of research reports, the coöperation of private agencies and of state departments has proved invaluable. When the research department was first organized there was some feeling on the part of some department heads that they were to be "investigated" and consequently there was a reluctance on their part to supply data when requested. This attitude has disappeared, however, since the administrative officials have seen in the council a means of securing needed legislation. The Department of Conservation has coöperated with the council in securing needed amendments to the fish and game codes; the offices of the Superintendent of Public Instruction and Department of Public Welfare have coöperated in amending the law relative to the education of handicapped children. On several questions the assistance of the State Tax Commission has been invaluable, the chairman of the commission appearing before the council in connection with some of these matters. The council has, it is believed, made progress in gaining the confidence of administrative officers by demonstrating that it proposes to make nonpolitical, impartial studies of state governmental problems.

A Legislative Reference Bureau was established in Illinois in 1913. When the Legislative Council was created the question arose as to its relationship to the reference bureau. No formal relationship is provided in the statutes, the two being entirely separate organizations. The two agencies have, however, coöperated to a high degree, council bills being drafted in the reference bureau. Fear has been expressed by some that jealousy and conflict would develop between the two agencies but there have been no signs of this. The Secretary of the Legislative Reference Bureau welcomed the establishment of the council and during the first year assisted in financing it out of his funds. The work of the two agencies is of a different nature and the possibility of conflict seems remote.

THE COUNCIL AND THE GOVERNOR

One of the problems which arises in connection with legislative councils is that of its relationship to the Governor. A formal relationship is established in Illinois, the law providing that the "Governor shall have the right to send messages to that session of the council convening next after the adjournment of the regular session of the General Assembly, and may from time to time send additional messages containing his recommendations and explaining the policy of the administration." While Governor Horner has not as yet availed himself of the privilege of sending messages to the council, he has assured it of his support and has coöperated wholeheartedly in its work. The original biennial appropriation of $10,000 for the council was inadequate and the Governor assisted in providing additional funds.

The danger of friction and conflict between the Governor and the council has been pointed out as a possible pitfall of legislative councils. It has been suggested that if a council formulated a comprehensive legislative program it might interfere with the power of the Governor in this regard. Improvement in the legislative process, it is said, will reestablish the prestige of the legislative department and indirectly affect the position of the Governor. There has been no indication of fear on the part of Governor Horner of such a development. Rather has he taken the position that if the legislative council improves the governmental process, it will be of direct advantage to the public and indirectly to the party in control. This he states is good politics as well as good administration. It should be pointed out again, however, that the Illinois council has not formulated a definite legislative program. If the council does present such a program, and it conflicts with that of the Governor, friction may develop.

If either the council or its research department can be said to be more important, it is, in the opinion of the writer, the council itself. Council members bear the burden not only of shielding the research department from partisan and other pressures, but also of establishing and maintaining friendly attitudes to the council on the part of their colleagues in the General Assembly. The research department has a technical job, on which the mileposts may more readily be seen and followed, and so long as the research staff avoids the more glaring errors of omission or commission, its work is not likely to have a determining effect on continued support of the council idea.

The policy of the Illinois council in proceeding cautiously in the formulation of a legislative program has, it is believed, been a wise one.

The council will probably take a more militant and positive attitude in this respect in the future, and this should increase its usefulness to the General Assembly.

During the first year of its existence the Illinois Legislative Council has demonstrated that it can be of service to the General Assembly. It has followed the policy of proceeding cautiously rather than assuming a militant attitude of furthering legislative action. It has remained in the background during the regular legislative session, the council meetings during that period being perfunctory. This policy has tended to gain the confidence of the General Assembly and to dispel the fear that the council will become a superlegislature. The increase in the appropriation for the council from $10,000 for the first biennium to $50,000 for the next biennium indicates a belief on the part of the General Assembly that the council can be of service. With this increased appropriation, the Illinois Legislative Council should during the next two years make a significant contribution to the legislative process in this state. The council has thus far had only two research men and a part-time typist on its staff. With the increase in funds, expansion of the work of the council will now be possible.

MUNICIPAL UTILITIES

(Continued from page 631)

while the demands on the various municipal activities have been increasing. Consequently the prospect of electric plant profits is an alluring one for the shift to public ownership.

In most instances where private electric service is furnished, a municipal system would be able to make substantial profits at prevailing rates, provided the existing properties are acquired at a reasonable price. This availability of profits may serve as an inducement to public ownership, while the principle of service-at-cost and low rates would make little direct appeal.

As a practical matter, a municipality might well initiate public ownership on the basis of immediate profits, and subsequently it could develop a long-range program of gradual rate reductions and stimulation of consumption. It could thus preserve substantial net earnings for general municipal purposes, and at the same time enable the community to realize the economic and social advancements which are dependent upon low rates. This should always be the responsibility of municipal officials, whether the utility is privately or publicly owned. The type of ownership is secondary; community progress is fundamental.

Philadelphia Carries On

By **JOHANNES U. HOEBER**

Philadelphia City Charter Committee

Committee organized to campaign for adoption of new charter continues its efforts despite failure of legislature to enact bills; question to dominate this fall's elections of mayor and council.

WITH the adjournment of the 1939 Pennsylvania legislature *sine die* the curtain fell on another battle for municipal reform in America's third largest city, Philadelphia.

On May 2nd the State Senate passed by a vote of thirty-eight to eight the city manager-proportional representation bill sponsored jointly by Senators Woodward (Republican) and Shapiro (Democrat). Governor James, who had promised home rule for Philadelphia during his election campaign last autumn, announced early in May that he would sign the bill if passed by the House of Representatives. At that time hopes ran high that Philadelphia would achieve its long desired modern form of city government. If the legislature had passed the measure the people of Philadelphia would have been called upon to approve or reject it at a special election which, under the provisions of the bill, would have been held four weeks after its enactment.

A survey conducted in March by the *Philadelphia Evening Bulletin*, under the supervision of Dr. George H. Gallup and the American Institute of Public Opinion, showed that 72 per cent of all citizens questioned expressed an opinion on the new charter and that 76 per cent of that number would approve the proposal. But the charter never reached this final stage. After its passage through the Senate, the bill was sent to the House of Representatives. The House referred it to its Committee on Cities of the First Class which in turn appointed a subcommittee to give it "thorough and intensive study." And there it remained until the legislature finally adjourned on May 30th.

Philadelphia's fight for a new form of city government has a long history. Since 1919 the city has been operated under a mayor-council charter. This charter was hailed at the time of its enactment as a big step forward because it abolished the old-fashioned two-chambered council and reduced the city's legislative body from 145 to 22 members. It has nevertheless not worked very well. The main defects were two: (1) it could not correct the division of authority between city and county, co-extensive in Philadelphia, which had been abolished by an act of consolidation in 1854 but restored by judicial interpretation of the Pennsylvania constitution of 1874; and (2) it did not eliminate the division of authority between mayor and council, the inherent weakness of all mayor-council charters.

In November 1922, article XV, section 1, of the Pennsylvania constitution was amended to read: "Cities, or cities of any particular class, may be given the right and power to frame and adopt their own charters and to exercise the powers and authority of local self-government, subject, however, to such restrictions, limitations, and regulations as may be imposed by the legislature." As early as 1929 a bill was introduced into the legislature amending the 1919 charter to provide for a council-manager form of government with election of city council by proportional representation. The same bill was introduced again in 1931. Both, however, were defeated.

CHARTER COMMISSION APPOINTED

In 1937 a constitutional amendment to consolidate the city and county of Philadelphia was voted upon by the electors, but although it received a majority in Philadelphia it was defeated in the state as a whole. While the campaign for this consolidation amendment was under way and its passage was hopefully expected, the matter of charter reform was taken up again. In April 1937, in pursuance of an act passed by the legislature, the Governor and the legislature appointed the Philadelphia Charter Commission, headed by Thomas Evans and composed of members of both parties, Senators and Representatives, public officials, representatives of employers and labor, and prominent citizens. Its staff was headed by Rollin B. Posey, of the Institute of Local and State Government of the University of Pennsylvania, as executive secretary. Shippen Lewis, Esquire, of the Philadelphia Bar, was its chief counsel. After eighteen months of investigation and study this commission submitted its report in September 1938.

It based the new charter which it proposed for Philadelphia on the 1922 constitutional home rule amendment. A referendum was required to put it into effect after its passage by the legislature. It provided further that in future nothing but an ordinance of city council would be required to amend those articles of the charter which deal with the Departments of Recreation and Parks, Public Health, Medical and Social Welfare, Detention and Correction, Public Safety, Public Utilities, Public Works, City Property, and Law, and that all other articles could be amended by ordinance of council with the approval of the electors. Only with regard to amendments so passed by council and approved by the electors which would alter the basic principles of the proposed system did the proposed charter reserve to the state legislature the right to interfere.

In drafting the new charter the Philadelphia Charter Commission made use of the latest experience available in the field of municipal government. The result is a council-manager charter designed to suit the needs of a city much larger than those to which this form of government has so far been applied.

P. R. FOR COUNCIL

The legislative power is concentrated in the city council to consist of eleven members elected by the city at large according to the Hare system of proportional representation, after candidates have been nominated by petition. This council is to elect a mayor from among its members as its presiding officer and as the city's ceremonial head. The chief executive shall be a city manager elected by council for an indefinite term of office and removable at its pleasure. He need not be a resident of the city at the time of his election. The city's administration is divided into fourteen departments the heads of which, with the exception of the city controller and the city treasurer who under the state constitution are elective officers (and also county officers), are appointed by the manager. His appointments are not subject to the approval of council. The city manager is also given the right to appoint and remove, subject to the provisions of law as to civil service, all officers and employees in the departments which are under a head appointed by him.

The civil service is greatly strengthened and expanded. The administration of the service is put into the hands of a personnel director, selected by the manager from the three highest candidates on an eligible list established by competitive examination. The quasi-legislative and quasi-judicial functions of adopting and changing rules for the administration of the service, approving a classification plan to be prepared by the personnel director, making investigations concerning the civil service provisions, and hearing and deciding appeals from employees who have been dismissed, reduced in pay or demoted, are put into the hands of a Civil Service Commission of three members. This commission is elected by council by a method which gives any minority group that controls more than one-fourth of council a representative on the commission. No person who holds any public office or who within one year preceding his election has been an officer of a political party or a member of a committee of a political party shall be eligible to serve as commissioner. The number of positions in the unclassified service is reduced, temporary exemptions are forbidden, and provisional appointments permitted only if the personnel director fails to certify to the appointing authorities the names of eligible candidates from employment lists within thirty days. The adoption of a classification plan by the Civil Service Commission and of a compensation plan by council is made mandatory. The persons in the classified service are given the right to appeal to the Civil Service Commission in case of dismissal, reduction in pay, or demotion, and the commission's decision is ultimately binding upon the appointing authority. To safeguard the provisions as to civil service, any taxpayer is given the right to institute a taxpayer's suit against violations of the law.

In view of Philadelphia's financial position, the chapter of the proposed charter dealing with finance was written with particular care. A Department of Finance is created in which all activities having a bearing on the city's financial policy are concentrated. The task of preparing the budget, at present performed by a clerk in the mayor's office, is transferred to a Budget Bureau headed by a budget director in the Department of Finance, which is under the city manager. This bureau will not only prepare the budget but supervise and control the expenditures of all departments and agencies throughout the year. In addition to the current budget a capital budget has to be prepared, showing what financial obligations will arise for the city each year due to carrying out a plan of capital expenditures to be designed for ten years ahead.

DEBT PROVISIONS

In order to check further increase in the city's debt the charter provides that in future all capital projects must be financed by serial bonds instead of sinking fund bonds, and that 2 per cent of the capital budget in the first year and an additional 2 per cent in each following year are to be paid out of current expenditures, thus putting the city on a pay-as-you-go basis at the end of fifty years. In determining the amount of the capital budget to be met out of current revenue, self-liquidating projects and projects involving a capital outlay of more than ten million dollars may be left out of consideration. Strong legal safeguards are provided to make sure that all expenditures the city must make are included in the budget and that the revenues through which it is expected to pay for them are not overestimated.

The assessment of taxes, at present a function of the Board of Revision of Taxes, is transferred to a newly created Bureau of Assessments in the Department of Finance. At present the Board of Revision of Taxes not only makes the assessments but also hears and decides appeals from taxpayers against its own assessments. The new charter, following the principle that administrative and judicial functions must be separated, creates a Board of Assessment Appeals to be appointed by the judges of the Court of Common Pleas.

The Department of Supplies and Purchases is abolished, and its place is taken by a Purchasing Bureau in the Department of Finance. This bureau will make all purchases "to be paid for out of the city treasury," thereby bringing the county offices as well as the city offices under the authority of this centralized purchasing agency.

In accordance with its general tendency to make the city's administration think in terms of a systematic and farsighted policy, the new charter creates a Department of City Planning. Philadelphia has had a Planning Commission since 1919, but it has never had any real power and the studies it has made with the assistance of WPA funds have not been given proper consideration by city officials. The two main functions assigned to the new department are the preparation of a master city plan and of the yearly capital budgets. Attached to the new department is a Planning Board, composed of seven appointed and six ex-officio members. This board will have far-reaching powers with regard to the master plan and the capital budget. Council will be bound by its decisions unless it overrules them by a two-thirds majority.

In dealing with relations between city and county, one of the major sources of the city's administrative and financial difficulties, the Charter Commission was greatly handicapped by the defeat of the constitutional amendment aiming at their consolidation. Most county offices are protected by the constitution. The salaries of a number of county officers are fixed by law, in the case of others the sole power to fix them is given to the officers themselves. How far city council may use its power as the county's tax-levying body to control the remaining expenditures of the county offices and agencies is at least doubtful. The Charter Commission tried to solve one of the most urgent problems with regard to city-county relations by submitting with the charter an ancillary bill establishing the merit system in county offices and providing that the city's Civil Service Commission shall act also as County Civil Service Commission. At present no county offices are subject to civil service regulations. This ancillary bill, however, did not even pass the Senate.

Immediately after the Charter Commission published its report proposing a new charter, a citizens' campaign for its adoption was inaugurated. Philadelphia is very fortunate in having an old established organization for such purposes—the City Charter Committee. It is one of those nonpartisan organizations of private and independent citizens from all sections of the community which, like the Citizens' Union in New York and the Charter Committee in Cincinnati, have contributed so much to the promotion of better municipal government in the larger cities. It was originally created to sponsor the 1919 charter and it proposed the first council-manager charters in 1929 and 1931. Now, after the publication of the Charter Commission's report, it was reorganized to lead the campaign for the new charter. Its chairman is Thomas Raeburn White, one of Philadelphia's most prominent lawyers.

CAMPAIGN ORGANIZATION

Headquarters were set up in the center of the city with Frederick P. Gruenberg as executive secretary and Walter J. Millard, field secretary of the National Municipal League, as educational director. Quickly a large number of volunteer workers rallied around the committee. A speakers' bureau was organized to meet the mounting demand from all sorts of groups for speakers to explain the issues involved. More than a hundred organized civic, business, trade, and professional groups formally endorsed the new charter. A Women's Division started to organize the women and succeeded in setting up permanent groups, each headed by one Republican and one Democrat, in most of the wards of the city. Petitions were circulated and signed by more than 100,000 people. A separate organization, the Charter League, undertook particularly to interest the younger people in the charter. The committee's publicity department succeeded in obtaining the coöperation of daily newspapers and neighborhood papers and towards the end of the campaign all four major daily newspapers in Philadelphia supported the demand for home rule embodied in the new charter.

The Charter Committee's cause was greatly strengthened when at the end of 1938 and the beginning of 1939 a grave crisis developed in the city's administration that made citizens conscious of a state of affairs that had taken shape gradually over a period of many years. This crisis was mainly characterized by a complete deadlock in the city's financial administration. In addition to a net bonded debt of approximately $400,000,000, which absorbs about 46 per cent of the city-county government's annual revenues for debt service, current deficits created by short-changing appropriations and overestimating revenues reached approximately $40,000,000.

Faced with this situation city council did not adopt a budget for 1940. For the purpose of funding the deficit and meeting the city's most urgent obligations, it started negotiations for a $50,000,000 loan with the R.F.C. and a group of banks, for which it proposed to pledge the rentals from the city-owned but privately-operated gas works over a long term of years. As this paper is being prepared no city budget has as yet been adopted and the payrolls for the city's employees have to be released from month to month by permission of the courts.

Approximately two-thirds of Philadelphia's city debts were contracted in the twenties. It should be remembered that in those years of prosperity, which were expected never to end, cities not only in the United States but all over the world invested huge sums in all sorts of buildings and other structures, which at that time were considered to be necessary or desirable. But Philadelphia's indebtedness is higher than that of most cities of the same or similar size. It is harder to bear because it rests on a city whose economic life has declined lately for other than cyclic reasons. And part of the money has been spent at least unwisely, if not carelessly.

CITY SERVICES POOR

It might be regarded as tolerable, although undesirable, that a city of the size and economic resources of Philadelphia incurred such an amount of debt if as a result its citizens had received exceptionally good municipal services. But at present some of these services are below the standards reached in other cities. This is particularly true of water supply, sewer program, and police and fire protection. Certain other much needed services are not provided for at all. For instance, Fairmount Park in the northwest of the city is one of the largest municipal parks in the world. But it is many miles away from the city's most densely populated areas in the northeast and south and is therefore of little service to the people living there. Yet in these areas, where open spaces and recreation facilities are more urgently needed than anywhere else in the city, they are almost entirely lacking.

All these facts were strong arguments for the proponents of the charter, who advocated it not as an end in itself but only as a means of giving Philadelphia a better municipal administration, and under their influence the charter campaign developed into a strong popular movement. What gave this movement its real strength was the fact that it was not only backed by the political party opposed to the present city government—the Democrats—but also by a large number of independent Republicans, and that its leadership was recruited largely from the latter group.

That the charter nevertheless did not pass the legislature was due to the particular political set-up that resulted from the 1938 elections in Pennsylvania. These elections gave control over the legislature that decided the fate of the bills to the same political party that dominates Philadelphia's city government.

Today, nearly four months after adjournment of the legislature, it may safely be predicted that the fight for a new city charter for Philadelphia will go on. All qualified observers agree that this time the campaign for a new city charter has gone much deeper into the consciousness of the masses than ever before. The Charter Committee publicly announced its determination to continue the fight for the new charter. Moreover, the conditions which the charter meant to change continue to exist and will, by their very existence, keep the charter issue alive. It will dominate the municipal elections which will be held this November. At these elections the present administration will be opposed by a coalition of Democrats, independent Republicans, and charterites, that will make the charter one of its main campaign issues. If the elections bring into City Hall a new government, that administration itself will probably feel the desirability of improving the mechanism with which it is required to work. If the present forces remain in power, they will probably add fresh fuel to the fire of public discontent and thereby emphasize the need for reintroducing the charter bills in the 1941 legislature.

There exists, as every student of political science knows, throughout all great American cities a very definite trend away from the system of patronage which may have been, although not satisfactory, at least endurable thirty or forty years ago, and towards a system of public service which alone may be regarded as adequate to cope with the social and economic conditions of the present day. Philadelphia, traditionally hesitant to accept innovations, may follow this trend more slowly than other cities, but it is bound to follow it sooner or later if it is to hold its place among the great cities of this country.

Twenty-one Tennessee Cities Buy Electric Systems

By FRANK A. NEFF, *Dean*
College of Business, University of Wichita
and MARY V. NEFF

Record sale of municipal bonds for purchase of electric plants by municipalities ends long struggle between private utilities and TVA.

THE most singular sale of municipal securities in history took place in August, when the turbulent years of dissension between private utility interests and the TVA ended abruptly in Tennessee. Nineteen cities acting practically simultaneously bought out their electric distributing systems, previously owned by the Tennessee Electric Power Company, and issued $33,988,000 in revenue bonds to finance their purchase. Two other cities, Memphis and Athens, had already sold bonds for the same purpose a few weeks previously, and their sales brought the total financing to the sum of $46,148,000.

Never before has a group of cities acted in concert in carrying through a program of financing. Eight of the sales actually occurred on the same day and in the same room of the Nashville County Building, at intervals of one hour. Two days later, on August 4th, nine more cities conducted their sales at hourly intervals in the same room of the Knoxville Post Office.

Cities Act with TVA

On May 12th Wendell Willkie, president of Commonwealth and Southern, the holding company which controls the Tennessee Electric Power Company, signed an agreement with the TVA to sell its holdings in the state of Tennessee for $78,600,000. Parties to the contract were the TVA and twenty-one Tennessee cities. The TVA was to buy certain dams and generating units, and the cities were to purchase their own distributing systems. The TVA contracted to sell to the cities their supply of current at certain wholesale rates, while the cities contracted to buy their supply at these rates from the TVA. The Tennessee company for its part agreed to sell its properties at the $78,600,000 figure.

After the contract was signed the twenty-one cities advertised their bonds for sale, and most of them received bids and awarded their bonds to investment bankers, who began selling them conditionally to investors. In the meantime, however, the TVA appropriation, upon which the whole deal depended, bogged down in Congress. The original bill called for a $100,000,000 appropriation, but its congressional foes scaled this figure down by repeated raids. For a time it was doubtful whether there would be any appropriation at all.

Bankers Cancel Contracts

The bond firms which bought the municipal bonds had all retained the right to cancel their commitments if the bonds were not delivered by July 1st. Since consummation of the sales was contingent on the appropriation, all contracts except two (Memphis and Athens) were cancelled on that date.

The *Chicago Journal of Commerce* stated the dealers' dilemma in this way:[1]

> The specific reason assigned for cancellation of the agreements was the non-delivery of the securities. A further factor, of course, is that the congressional appropriation did not come as quickly as many had hoped for, and the political discussions have served to cloud the facts. With each additional day of delay some of the houses have felt that not only has the price situation worked adversely so

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[1] Harry M. Adams, "Bond Dealers Cancel Options to Purchase Tennessee Loans," *Chicago Journal of Commerce* (July 1, 1939), p. 1.

City	*Amount of Bond Issue*	*Annual Interest Cost (%) First Sale*	*Annual Interest Cost (%) Second Sale*	*Increased Cost (%)*
Athens	$ 410,000	2.89[a]	...	....
Chattanooga	13,200,000	...[b]	2.705	....
Cleveland	750,000	2.599	2.77	0.171
Clinton	340,000	2.965	3.09	0.125
Columbia	800,000	2.6178	2.80	0.1822
Harriman	276,000	...[b]	3.19	....
LaFollette	500,000	...[c]	3.62	....
Lenoir City	272,000	3.17	3.32	0.15
Lexington	150,000	3.06	3.34	0.28
Loudon	105,000	3.13	3.24	0.11
Maryville	425,000	2.67	2.81	0.14
McMinnville	450,000	2.69	2.9212	0.2312
Memphis	11,750,000	2.19388[a]	...	....
Mount Pleasant	265,000	2.889	3.192	0.303
Murfreesboro	590,000	2.654	2.81	0.156
Nashville	15,000,000	2.2277	2.32	0.0923
Pulaski	120,000	2.605	2.88	0.275
Rockwood	135,000	3.44	3.66	0.22
Shelbyville	350,000	2.877	2.97	0.093
Sweetwater	95,000	3.202	3.33	0.128
Winchester	165,000	2.918	3.19	0.272
TOTAL	$46,148,000			

[a]Sale consummated. [b]Sale postponed. [c]No bids.

far but each additional day of delay involves more speculation which they are reluctant to undertake.

Finally, on July 14th, the House and Senate agreed on a conference report carrying a $61,500,000 TVA appropriation. Of this amount, $46,000,000 was earmarked for the purchase.

This was the go-ahead signal, and the cities again advertised their bonds, the dates of sale being scattered through the first two weeks of August.

Bonds Cheaper at Second Sale

Unfortunately the period between the rescinded sales in June and the final sales in August coincided with a decline in the bond market, and the delay was costly for the cities. In every case cities secured less for their bonds than they would have if the cancelled contracts had actually been carried out. The difference varied from one-tenth of one per cent a year in the case of Nashville, to the pronounced difference of nearly one-third of one per cent a year in the case of Mount Pleasant. In terms of dollar interest cost, this is a 10 per cent rise, a considerable change for a period of only five weeks. The accompanying table shows the increase in costs to the cities involved.

The bonds of all the cities are optional, and all mature serially over a term of twenty years with the exception of Chattanooga, whose $13,200,000 serial issue will be retired completely in thirty years.

The issues represent not only the purchase price of the distributing systems from the Tennessee Company, but include extra amounts for working capital and improvement and extension funds. This was necessary because for several years the Tennessee Company was cut off from

(Continued on Page 676)

Toledo Honors Retiring Officials

Mayor Start and Councilman Cohn given testimonial dinner at which Governor Bricker of Ohio sounds praises for Toledo's Manager-P. R. government and its officers.

By RICHARD P. OVERMYER, *Executive Secretary*
City Manager League of Toledo

AN EVENT unique in the civic history of Toledo—and perhaps in the annals of municipal government in America—took place in the Ohio city on the night of August 28th when more than six hundred citizens turned out for a public appreciation dinner to pay tribute to two retiring public servants.

The two officials are Mayor Roy C. Start and Councilman Aaron B. Cohn, who announced recently that they would leave public life at the close of their present terms in Council December 31st. Mayor Start and Judge Cohn, who earned that title in ten years of service on the municipal bench before being elected to Council, have been the two outstanding leaders in Toledo's remarkable strides toward better government under the city manager—small council plan.

Governor John W. Bricker of Ohio, two United States Congressmen, official representatives of other cities, and prominent Toledo citizens joined in lauding the service of Mayor Start and Judge Cohn, and then in impassioned speeches pleaded with Toledoans to fight for preservation of the gains made under city manager government.

"Representative government is based on the citizen interest in that government," Governor Bricker said. "Loyalties to the city and state forms of government expand to the national government, and these loyalties must be founded on a loyalty to the community in which people live. These men have proved the merit and virtue of their loyalty to this type of government.

"Many governments have fallen because they failed to take care of their homely housekeeping duties in their respective communities, but there never were any tasks too trivial for these men to perform in their housekeeping work for Toledo.

Governor Praises Toledo's Government

"Proof of the interest of the general public in the type of service rendered by Mayor Start and Mr. Cohn is shown in the outpouring of citizens at this dinner. The kind of government you enjoy in Toledo under the leadership of your city manager, John N. Edy, and your councilmen came about as a result of the failure of the old type of government.

"Good government requires honesty and efficiency, and your city manager and the men being honored at this dinner are examples of this honesty and efficiency. In these times a deep and abiding confidence in public officials is needed, and the hundreds present at this dinner are proof that Toledo has such confidence in the integrity and service of these two men."

Governor Bricker pointed out that millions are spent in the building of monuments and educational institutions to honor persons who have worked in various fields, but he declared there could be nothing finer in the way of a memorial than to have played a part in building a better government for one's own community.

Others who paid tribute to the retiring officials and made pleas for continuance of good government were Grove Patterson, editor of the *Toledo Blade,* who also introduced Governor Bricker; Carlton K. Matson, public relations director of the Libbey-Owens-Ford Glass Company, and former editor of the *Toledo News-Bee,* who served as toastmaster; Henry S. Brainard, law director of Cleveland, who represented Mayor Harold Burton, John

N. Edy, city manager of Toledo, and Richard C. Patterson, general manager of the *Toledo Times.*

Mayor Start and Judge Cohn have been in the forefront of Toledo's progress in municipal administration since the inception of the new government on January 1, 1936. In each of his two terms Mr. Start was elected mayor by his fellow-councilmen. Judge Cohn has been the strategist and floor leader for the city manager forces in every battle against those who sought to undermine the new government, as well as an able and forceful leader of Council in its work on many large municipal problems.

Newspapers Enthusiastic

In addition to the words of praise expressed by the dinner speakers, Mayor Start and Mr. Cohn were paid glowing editorial tributes by the Toledo newspapers after they had announced their decisions to retire. The *Blade* pointed out that the Mayor had "energetically and loyally supported the manager plan because of his conviction that it is a wise and efficient method of government." The editorial concluded: "When he leaves office the Mayor will take with him a great reward, that is, the satisfaction of having served faithfully and efficiently the city of which he has been a resident for forty years."

Of Judge Cohn the *Blade* said: "One of the most alert, constructive, and effective proponents of good government Toledo has ever had is Councilman Aaron B. Cohn. His decision not to seek re-election will remove a champion of honest and efficient municipal rule who will not be easy to replace.

"During his two terms in Council, Mr. Cohn has sacrificed his private business for the public service. He has made an immense contribution, and a great share of the credit for the establishment and maintenance of the city manager—small council plan should go to him."

High tribute also was given both officials in statements from the City Manager League of Toledo, which supported them both in 1935 and 1937 in their Council campaigns.

The tremendous success of the testimonial dinner—the main banquet room of the city's largest hotel was filled and scores were turned away—was especially significant in light of the fact that there was no real organized sponsorship for the affair. A small group of citizens got the idea only about two weeks before that such an appreciation dinner would be a splendid thing, not only to honor two outstanding public servants but to serve as a rallying point for continued good government.

These men enlisted the aid of a few others, including several representatives of the City Manager League, and, with the wholehearted and enthusiastic support of the press, plans for the affair expanded by leaps and bounds. A downtown ticket headquarters was established; Governor Bricker agreed to postpone a previously scheduled conference on state business in order to attend; two or three of those most active in the plans gave up their own businesses entirely for a few days to work for the success of the event.

The result, as stated by Governor Bricker and numerous others, was one of the finest tributes to and arguments for good municipal government they ever had witnessed.

The Researcher's Digest: September

Miscellaneous summertime achievements of the research bureaus include an exposé of a New Orleans refunding deal, a unique bibliography, and a new figure of speech.

BY EXPOSING in detail a refunding deal between the Orleans Levee District and an investment firm whereby hundreds of thousands of dollars were lost to taxpayers, the **Bureau of Governmental Research of New Orleans** has been instrumental in the bringing of a suit by the levee board to regain the money. The *New Orleans Times-Picayune* published in its entirety the bureau's findings in a full page spread on August 1st.

The Bureau reported that the refunding contract "was against the public interest, improperly interpreted as to the method of computing compensation of the company, and grossly wasteful of public funds" and urged the Board of Commissioners to take remedial action. Bulwarking its charges with statistical exhibits and other pertinent information, the report charged that "the contract was never given publicity. It appears to have been given wholly inadequate consideration. Several vital contract terms are loosely drawn. A number of important powers were virtually surrendered to the company. The method of computing the compensation was unbusinesslike and resulted in grossly excessive payments to the company. Finally, the conclusion is inescapable that a large part, if not all, of the benefits which should have accrued to New Orleans from the three refunding issues has been lost."

Fiscal Electric Storm

The **Princeton Survey of New Jersey Finance** coins a new term in its *Public Interest* (Folder) *Series No. 5*. "Tax lightning" is what it is calling "an erratic tax treatment, which generates 'tax-ridden' conditions of certain wealth and income levels with great detriment to business, industry, and employment." The Survey concludes that "the tax problem in New Jersey is not necessarily *more* taxes unless the people demand *more* services. It is rather *stabilized* and *equalized* taxes." A tabular comparison of the incidence of property and other taxes on similar corporations in Ohio, Massachusetts, and New Jersey illustrates "tax lightning" graphically and colorfully (in red ink).

A Bibliography of Growth

An excerpt from the foreword to *The Pacific Northwest: A Selected Bibliography 1930-1939* is a succinct advertisement of a unique research adventure by the recently organized **Northwest Regional Council:**

> This volume is an attempt to compile a selected bibliography of research dealing with the physical and human resources of the Pacific Northwest. A conscious effort has been made to include a majority of the more significant contributions to varied aspects of the regional economy. In order to show trends in research, apparent gaps, and to point the way toward later productive investigations each major subject division carries an interpretative comment prepared by a specialist familiar with the field covered.

The volume is divided into three parts: completed research—published and unpublished, research in progress, and contemplated research. The titles themselves give evidence of the newness of the subject and its very palpable process of growth.

Legislative Councils and Why

A report on *Legislative Councils and Commissions* by the **Bureau of Public Administration of the University of California** (1939 Legislative Problems, No. 12) emphasizes the need in California for a legislative staff agency equipped to furnish facts and to draw up a legislative program in advance of the session. The report comprises a thorough-going "concise" review of the development, duties, functioning, and experience with legislative councils in the United States.

Research in New Hampshire and South Dakota

Two new university-sponsored bureaus of governmental research were established last month. Both are state institutions and will function under supervision of the departments of government, serving as clearing houses for local and state governmental problems. Lashley G. Harvey is executive secretary of the bureau at the **University of New Hampshire** at Durham. The other is at the **University of South Dakota** at Vermillion. The announced purpose of each of the new bureaus is also to draft model laws and ordinances for towns and cities, to conduct in-service training classes for government employees, and to supply general information on government work.

Research Bureau Reports Received

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Five Years of Planning in the Pacific Northwest. Speech by Charles McKinley. Northwest Regional Council, Portland, Oregon. May 1939. 27 pp.

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Vital Statistics. Rochester Bureau of Municipal Research. *Municipal Research,* June 1939. 1 p.

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Public Health Insurance and Medical Care. By Fern E. Scneder. Bureau of Public Administration, University of California, 1939 Legislative Problems, No. 3, May 29, 1939. 25 pp.

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Proposed $24,717,000 Metropolitan Sewerage Program. Boston Municipal Research Bureau, *Bulletin,* No. 79. July 19, 1939. 8 pp.

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Municipal Tax Collections. Citizens' Research Institute of Canada. *Canadian Taxation,* July 31, 1939. 4 pp.

Tax Lightning. Princeton Survey of New Jersey Finance. Princeton University. School of Public and International Affairs. *Public Interest* (Folder) Series No. 5. June 6, 1939. 4 pp.

Contributors in Review

BEGINNING as principal of the public schools in Benkelman, Nebraska, in 1900, **John Bauer** (*Municipal Utilities—Profits vs. Taxes*) has become one of the foremost authorities on public utilities in the United States. The director of the American Public Utilities Bureau since 1925 has been associated in an advisory capacity with official and unofficial bodies dealing with utility problems in New York City and New York State, West Virginia, North Carolina, South Carolina, Louisville, Pittsburgh, Boston, and the United States government. The Bauer bibliography reads like a what's what in utility questions and includes too many books and articles to be detailed here.

JOHANNES U. HOEBER (*Philadelphia Carries On*) left Germany in 1933. He had been head of the Information Bureau of the city of Mannheim and assistant editor of *Die Lebendige Stadt,* bimonthly official magazine of the city of Mannheim. A Doctor of Political Science of the University of Heidelberg, Mr. Hoeber is research assistant of the Philadelphia City Charter Committee.

LAWYER, economist, housing administrator, **Leon H. Keyserling** (*Low-Rent Housing Builds on Sound Money*) has achieved considerable professional latitude since his graduation from Columbia College in 1928. The Deputy Administrator and General Counsel of the United States Housing Authority (since 1938) has also been an instructor in economics at Columbia University, an attorney with the federal A.A.A., and secretary and legislative expert to Senator Robert F. Wagner. Mr. Keyserling received his LL.B. from Harvard in 1931 and is a member of the New York Bar.

DURING the past year **Charles M. Kneier** (*Illinois Legislature Completes Its First Year*) has been on leave from his job as associate professor of political science at the University of Illinois, to organize the research department of the Illinois Legislative Council. Dr. Kneier's writings have touched on almost as varied a group of topics as will ever face a legislative council. They include a book on *State Regulation of Public Utilities in Illinois* (1926), one on *County Government and Administration* with John A. Fairlie (1930), a third on *City Government in the United States* (1934), and finally, a work on *Illustrative Materials in Municipal Government and Administration* (1939).

UNLIKE many philosophers on the art of plucking the goose, **James W. Martin** (*Tax Limitation—A Dangerous Device*) has had to put his theories to the test. As Kentucky's Commissioner of Revenue in 1936-39, he reorganized that state's revenue system, and during the same span of years functioned as member of the Kentucky Legislative Council, chairman of the Kentucky Planning Committee, member of President Roosevelt's Committee on Fiscal Relations between the United States and the District of Columbia, and finance consultant to Arkansas, Georgia, and Ohio finance agencies. In previous years he was chief of staff for Governor Chandler's Kentucky Reorganization Commission, among other governmental jobs.

THE story **Samuel E. Wood** (*Wine from the "Grapes of Wrath"*) tells of the dust bowl migrants to California presents the scholarly side of the medal John Steinbeck flashed in the horrified eyes of the country when he wrote *Grapes of Wrath.* Mr. Wood, a research assistant at the Bureau of Public Administration of the University of California at Berkeley, on leave from a teaching post in the Fresno, California, public school system, has already written several articles on the problem of housing for people like Mr. Steinbeck's Joad family.

News in Review

City, County, State Progress in Brief

Civic Groups Active in Local Affairs

Planning Commissions Organized in Chicago, Baltimore, and Great Smoky Mountain Park

Legislative Council for Missouri

By H. M. OLMSTED

An unusual device for developing ideas and coöperation for city improvement and planning has been placed in effect by Frank D. Paine, Mayor of Ames, Iowa, a city of 12,500 population and the seat of the State Highway Commission and the State College. Ames has the customary allotment of civic and professional clubs, youth organizations, church and women's groups. In the last ten years it has encountered problems of growth and the need of planning. Mayor Paine has met the need by organizing the heads of each of the civic groups in the town into a "Council of Presidents," with thirty members. There was no difficulty of appointment, as each member had already been elected by an organization interested in civic betterment.

This council holds a meeting on the first Wednesday of each month from September to June, and is guided by a program committee which makes plans and reports on questions of civic interest.

The objectives are to extend the knowledge and understanding of municipal affairs, to encourage the free exchange of ideas, to become an agency of public relations whenever possible, and to mold public opinion for the improvement of Ames.

Committees already formed and in action are investigating the possibility of a community chest that will lead eventually to a community welfare board, making plans for a seventy-fifth anniversary celebration of the settling of Ames this fall, and forming a civic forum program. The council also hopes to bring to life such projects as formally inducting young people into citizenship when they reach the age of twenty-one, and to sponsor plays and operas for young people.

The organizations included in the Council of Presidents are Rotary, Kiwanis, and Lions Clubs, American Legion, Veterans of Foreign Wars, Ames Women's Club, Faculty Women's Club, Ames Ministerial Association, Boy Scouts of America, Campfire Girls, Social Service League, Red Cross, Parent-Teachers Association, Board of Education, Ames City Schools, Business and Professional Women's Club, League of Women Voters, Iowa State College, Junior Chamber of Commerce, Retail Merchants' Association, Hospital Board, Park Board, Library Board, Zoning Adjustment Board, Playground Commission, City Plan Commission, VFW Auxiliary, Legion Auxiliary, *Ames Daily Tribune*, American Association of University Women, and Ames Women's Rotary Club.

Good Government Movement Organized in Kansas City

A permanent organization of the Good Government Association in Kansas City, Missouri, was effected late in July at a meeting of two hundred people in the public auditorium at the University of Kansas City. The meeting and the organization were notable for the dominance of the younger element, both men and women. It is intended to be nonpartisan and non-political in character.

New York Nonpartisan Committee to Present Council Tickets

The Citizens Nonpartisan Committee of New York City which under the chairmanship of Judge Samuel Seabury supported a fusion ticket of council candidates at the first P. R. election two years ago, has announced that it will present a slate of candidates for council early in this year's campaign, hoping thereby to take still fuller advantage of the opportunities of proportional representation.

Waterbury Citizens Group Campaigns for New Charter

In Waterbury, Connecticut, the Citizens Good Government Association is actively campaigning on behalf of the proposed city manager—proportional representation charter which will be submitted to a referendum on October 3rd. Some twenty broadcasts have been planned and Murray Seasongood, able leader in Cincinnati's campaign for good government, addressed a mass meeting arranged by the association on September 12th.

Baltimore and Chicago Establish New City Plan Commissions

Two more metropolitan cities—Baltimore and Chicago—have established new city plan commissions, completing the list of thirteen cities with more than 500,000 population which have set up such official organizations, according to the American Society of Planning Officials.

The Baltimore commission, established by charter amendment,[1] is made up of nine members, including the mayor, city engineer, and a member of the council. The remaining six members are appointed for their knowledge of city planning. The commission investigates all proposals and plans for construction of public improvements in Baltimore and reports to the Board of Estimate, and must study and make recommendations on all ordinances or resolutions authorizing the issuance of stock or certificates of indebtedness for proposed public improvements. It has the usual powers as to preparation of a master plan, subdivision control, and other planning activities.

Chicago's new ordinance calls for a commission proper of twenty-two members and an advisory board of two hundred. Members of the commission proper will include the mayor, heads of city departments, chairmen of council committees, and eight citizens appointed by the mayor, with approval of the council, from the membership of the advisory board. The new commission replaced one which existed under a resolution passed in 1909. This organization, however, had few express powers and duties and no permanent status. The new commission must meet at least once a month, with seven members constituting a quorum.

The new City Plan Commission must, under the ordinance, prepare and recommend to Council a master plan for the development of the city, including the rehabilitation of depreciated areas. The commission also must coöperate with the local housing authority and the City Council in the location of housing projects and the elimination of substandard conditions.

Great Smoky Mountains Regional Planning Commission

Planning and guiding highway and recreational developments in the Tennessee area bordering the Great Smoky Mountains National Park is the function of the Great Smoky Mountains Regional Planning Commission, created by the Tennessee State Planning Commission upon petition of citizens of the four counties involved.

These counties do not have zoning power and effectuation of plans must rely upon persuasion rather than coercion; but the commission does have control over subdivisions after a regional plan is prepared.

The immediate program calls for studies of highway location and development, town planning, recreational projects, and stream pollution, and for zoning studies for highway protection and preservation of scenic areas. Support of the commission's work, financial and otherwise, will come from county courts, interested non-governmental agencies, and the Tennessee State Planning Commission.

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[1] See also June Review, page 469.

Lyndon E. Abbott
Tennessee Valley Authority

City Planning Interest in Kentucky

The Kentucky Municipal League, with the coöperation and assistance of the American Society of Planning Officials, conducted regional discussions of city planning and zoning in Paducah, Bowling Green, Paris, and Fort Thomas in the early summer. Mr. Hugh R. Pomeroy, Director of the Virginia Planning Commission, formerly Chief of Field Service for the American Society of Planning Officials, completing the schedule made in his former capacity, addressed more than three hundred city officials and representatives of civic groups at the four meetings in Kentucky.

Mr. Pomeroy's visit to Kentucky was arranged pursuant to the passage of legislation sponsored by the Kentucky Municipal League, during the 1938 session of the General Assembly, enabling cities of the third, fourth, fifth, and sixth classes to establish planning and zoning commissions. In each of the cities visited, a morning session was given over to a discussion of the problems of the particular city, and in the afternoon officials of neighboring cities were invited in for a general discussion of the objectives, procedures, and techniques of planning. Mr. Pomeroy was received with unusual enthusiasm, and since his visit the Kentucky Municipal League has complied with seven requests to submit suggested ordinances to provide for a planning commission, which are attributed directly to the discussions.

James W. Martin
Bureau of Business Research
University of Kentucky

President Urges Broad Planning of Rivers and Harbors Projects

In vetoing a bill (H.R. 7411) having to do with certain proposed rivers and harbors projects, President Roosevelt said on August 11th:

"It has always seemed to me that projects should be examined and authorized primarily on the basis of the greatest good to the greatest number of people. I understand the urge to get federal money for expenditure in every congressional district in the United States—but I believe, as I have often recommended to the Congress, that instead of taking a bite here and a bite there, there should be a well considered and well rounded plan for projects to be undertaken in a definite order of human and national preference and desirability instead of putting them only on a local geographical basis."

The Council-Manager Plan

Abington, Virginia, adopted town manager government on August 15th by a vote of 329 to 268. The plan will go into effect in June 1940.

Tipp City, Ohio, on July 29th voted to draft a new charter and at the same time elected a drafting commission. A city manager charter has now been prepared and copies have been mailed to all voters of the city. A special election on its adoption is scheduled for September 23rd.

Carey, Ohio, rejected council-manager government at the polls on August 8th.

Los Gatos, California, will vote on council-manager government within the next two months.

The Citizens' Union of **Newark, New Jersey,** has ready for filing a petition signed by 20,000 names demanding a special election on the adoption of a manager charter.

In **Birmingham, Alabama,** petitions signed by five thousand voters were recently presented to the city's legislative delegation, asking them to secure passage of a manager enabling act. A hearing was held on the question at the time of the presentation with speakers both for and against the plan. The local delegation, however, has decided to take no action. A manager bill, applying to cities of 30,000 and over, has since been introduced into the legislature. It applies to Birmingham, Mobile, Montgomery, and Gadsden, and provides for a referendum on petition of the voters.

In **Martinsburg, West Virginia,** petitions have been circulated calling for an election on the council-manager plan.

The **Clarksburg, West Virginia,** charter board is giving earnest consideration to the Cincinnati plan of manager government.

Monroe, North Carolina, which adopted a city manager ordinance in 1932, is not now operating under the plan and it is reported that no manager appointment is expected to be made for two years.

Members of the **Lorain, Ohio,** League of Women Voters are engaged in a study of the manager plan and proportional representation.

Port Arthur, Texas, on July 18th voted in the ratio of two to one to retain council-manager government.

In **Delta, Colorado,** a postal card referendum on the manager plan was held recently. Forty per cent of the cards were returned, 119 being in favor of the plan and 140 against it.

In **Santa Monica, California,** Dr. John M. Pfiffner, professor of government at the University of Southern California, reported to a local committee investigating charter reform that instead of attempting to remedy the inherent defects of the existing commission plan a council-manager type of charter should be drafted.

In **Prince Rupert, British Columbia,** a plebiscite is to be held concerning the manager plan, and President Harvey of the Chamber of Commerce reports that a favorable vote is expected, in which case legislation will be sought from the provincial government to enable the plan to be placed in effect.

On September 5th **Scottsbluff, Nebraska,** defeated a manager proposal at the polls.

The manager plan is also being considered in **Delphos, Napoleon,** and **Zanesville, Ohio; Brookfield** and **Fayette, Missouri; Villa Park, Illinois; Carmel, California;** and **Murray, Utah.**

The twenty-sixth annual conference of the International City Managers' Association will take place in Detroit, Michigan, October 9th to 12th, inclusive, at the Statler Hotel.

Permanent Registration for Colorado Cities

The last Colorado General Assembly, according to *Colorado Municipalities,* passed a bill which Governor Carr signed, requiring permanent registration for city elections in all cities, with the customary purging of the books as is now required for counties. A number of minor details in the form of records and other matters were also included in the act.

Legislative Council Gains Foothold in Missouri

Although its neighbors, Kansas and Illinois, have used legislative councils for years, Missouri advocates of the idea have not been successful until July of this year, when a bill creating a committee to maintain the legislature's quarters and library at the Capitol was amended to empower the committee and its employees to advise and assist in preparation and consideration of bills. The bill was passed and has been signed by Governor Stark. It provides for a committee of twenty, ten members to be chosen from each house of the legislature. The character and extent of the committee's work with legislation remains to be seen. The *St. Louis Post Dispatch* stated editorially, "The new Missouri committee, which receives a $30,000 appropriation, has sufficient powers to demonstrate what can be done. If the twenty members discharge their duties conscientiously, it is probable that a full-fledged legislative council and drafting bureau will emerge at the next session as a result of this surprise reform."

Initiative More Strictly Regulated in Michigan

Regulations concerning the use of the initiative for charter amendments in Michigan have been revised by public act 166, recently approved by the Governor. According to the Detroit Bureau of Governmental Research the bill has corrected certain difficulties and yet has retained all control essential in the initiative.

The new regulations permit the submission of important charter amendments only at a regular election; if arising by petition, they must be presented to the election authorities ninety days before the election (the election commission to have at least forty-five days for checking signatures); if by a three-fifths vote of the city council, sixty days before the election. If an amendment fails of adoption, it cannot be submitted again for two years. Only one subject can be dealt with by a given amendment. Five per cent of the total registration is necessary for a petition; and the election commissioners can check the names with the signatures on file. Proposals to spend money must be approved at least sixty days before the beginning of a fiscal year.

Competition for Interesting Local Government Reports in Great Britain

The *Municipal Journal and Local Government Administrator,* organ of the associated local governments in Great Britain, is conducting a competition for the best annual reports on the work of the various local authorities, in order to stimulate efforts of the authorities to present the results of their year's work in an attractive form for the information of taxpayers and to encourage public interest in civic administration. Medals are awarded for the reports winning first, second and third places. The closing date for entries by local authorities in England and Wales is September 30th and for Scotland, November 15th, the difference being due to differences in the fiscal years in the respective countries. Competition is open to both counties and towns, large and small, and there is a special award for authorities where the population is 30,000 or less.

Local Public Opinion Polls Guide City Councils

At least three cities, Winnetka, Illinois, Syracuse, New York, and Montclair, New Jersey, have recently used local public opinion polls to guide council action, according to the International City Managers' Association.

Winnetka citizens were solicited by postcard to determine whether they wanted a grade crossing elimination program, and councilmen voted according to the expressed approval of the program.

Syracuse manned polling places with volunteer election officials for four hours one evening to permit voters to express preference on daylight saving time, the council to vote in accordance with results.

Montclair's council, puzzled over expenditure reductions, took an advisory opinion by postcard poll to determine which services citizens wished maintained and which curtailed.

As noted elsewhere, in Delta, Colorado, a postcard poll on the city manager plan was made by a local committee.

The association declared that this simple device of sampling public opinion offers great possibilities if used with discretion.

Arkansas League to Codify City Ordinances

The Arkansas Municipal League and the Bureau of Municipal Research, University of Arkansas, have completed tentative arrangements with the Works Progress Administration to inaugurate a state-wide project for recodifying and indexing municipal ordinances. Several cities have definitely taken advantage of the project and various others have tentatively accepted, according to *Southern Municipal News.* The method followed will be patterned upon the successful plan that has been utilized by over one hundred North Carolina and Oregon cities. As one phase thereof city councils will be advised of obsolete and illegal ordinances for such action as may be desired.

Earl Mallery New AMA Director

On August 1st Earl D. Mallery of Washington, D. C., was named executive director of the American Municipal Association, succeeding the late Clifford W. Ham. Mr. Mallery was mayor of Alliance, Nebraska, from 1928 to 1932, city manager from 1932 to 1935; and for three years has been manager of the Washington office of the AMA and the Southern Municipal League. While in Nebraska he was for seven years chairman of the legislative committee and a member of the executive committee of the Nebraska State League of Municipalities; he served one term as state representative and another as state senator and for several years was a member of the state planning board.

Regional Meetings of New York Municipal Officials

Plans have been completed by the New York State Conference of Mayors for a series of twelve regional meetings of city and village officials, to be held between September and December. One new zone has been created this year to accommodate the officials of the municipalities in the southwestern section of the state. The meeting for this new zone will be held in Jamestown. Each meeting will consist of two sessions beginning at 10:30 a.m. and 2 p.m. There will be no set program. Local problems and suggestions for municipal legislation will be presented and discussed by officials at both sessions.

City and village clerks are planning to hold regional luncheons in connection with the regional meetings. The Joint Legislative Committee created to prepare village home rule legislation may arrange to hold hearings at some of the regional meetings.

Changes in Rutgers Police Training

The Bureau of Public Safety at Rutgers University, New Brunswick, New Jersey, which for the past two years has been offering extension courses in traffic control and crime science to New Jersey police, will launch a new type of instruction this fall, according to Professor N. C. Miller, director of the University Extension Division.

The program for the first semester will include four specialized ten-weeks courses, instead of the several short courses offered the first year, and the eight-weeks courses the second year. The classes will meet in the afternoons once a week. The subjects of the four courses are criminal investigation, juvenile delinquency, traffic enforcement and police jurisprudence.

College Training in Police Work

A survey of municipal training facilities in twenty-six states by the American Bar Association's Committee on Police Training and Merit Systems, which included members of the International Association of Chiefs of Police, has produced a recommendation of pre-service courses in police methods and administration at universities and colleges, to be taught by persons actively engaged in or thoroughly familiar with police practices and procedures.

The committee recommended also that a national school for police training should be established, patterned after West Point or the Federal Bureau of Investigation's National Police Academy, that a uniform code of criminal procedure and of major crimes should be drafted for adoption by all states, that legislation removing restrictions on the interstate pursuit and apprehension of criminals should be passed by states lacking such laws, and that residence requirements for applicants to police forces be abolished.

Municipalities in the twenty-six states studied by the committee offer seven types of police training according to the survey: (1) pre-employment police training, (2) recruit schools and advanced training programs for state police, (3) interstate zone or area schools, (4) short, intensive courses, institutes, conference and extension courses, (5) itinerant instructors, (6) local training programs, and (7) training programs for private industrial police.

Governor Vetoes Pennsylvania Merit Bill

Despite general confidence that he would sign the civil service bill recently passed by the Pennsylvania legislature, Governor James has seen fit to veto the measure, "explaining his action in a message which is a masterpiece of sophistry", says *Good Government,* organ of the National Civil Service Reform League. The bill would have merged under a single civil service administrator the merit systems already existing in the State Liquor Control Board, the Department of Public Assistance, and the Unemployment Compensation Division, 15,000 employees in all. It was so drawn that its provisions could have been made to include other state departments.

Civil Service Assembly to Meet

The thirty-first annual meeting of the Civil Service Assembly of the United States and Canada will be held at the Fairmont Hotel in San Francisco, October 16th to 20th, inclusive. Special sectional discussion groups and panel meetings have been scheduled as part of the program.

County Consolidation Urged in Oklahoma and Utah

Los Angeles County Saves with Centralized Purchasing

Townships Seek Improved Government

By PAUL W. WAGER

The Oklahoma State Board of Equalization, after raising real estate assessments in five counties unable to meet public school requirements and other current expenses, suggested that a merger of counties be effected. The suggestion, states Editorial Research Reports in a recent release, was prompted by the fact that about half of the counties in the state require a large amount of state aid to support public schools and are demanding that the state help meet the ordinary running expenses of the county.

Applauding the state board's suggestion, the *Tulsa World* points out: "This is a time of road and motor transportation, and county seats need not longer be a theoretical day's journey from the remotest neighborhood. Distances do not mean nearly so much as they once did when even our new counties were laid out. The upkeep of any county government must be considerable and unless counties are willing and able to pay the cost they should be divided and annexed."

Dr. H. A. Dixon, president of Weber College, Utah, in addressing the National County Officers Association at its recent convention at Ogden, recommended a reorganization of county government and a reduction in the number of counties. He pointed out that nine of the twenty-nine counties in Utah have lost population in the last decade and that "it is difficult to justify the existence of a county with less than 20,000 people and a taxable wealth of from $4,000,000 to $5,000,000." He pointed out that only four of Utah's counties have a population of 20,000 and only nineteen an assessed valuation of $5,000,000. The counties under 20,000 spend $9.26 per capita and those with over 20,000 spend $7.27. The cost of assessing and collecting taxes in the less populous counties is 25 cents on the dollar compared to 1.2 cents in the more populous group.

Los Angeles County Store Effects Big Saving

The Los Angeles County General Store has entered another era—one which promises to be as significant in the business of public provisioning as the old one in which it had its heyday as the largest single publicly-owned store, prior to the consolidation of public purchasing by New York City under Mayor La Guardia.

According to the *Christian Science Monitor,* the new era is one in which the store pioneers among public agencies in following the lead of progressive private businesses which have adopted the buying policy of granting a year-long contract, say for oil, at a certain price, with the proviso that the buyer may buy cheaper elsewhere if the market drops.

The new policy has been guided by Colonel Wayne Allen, who is completing his second year as county purchasing agent and his first year as chief administrative officer—a sort of limited county manager. He came to the county position under civil service from a privately-owned utility which had adopted this method of taking advantage of market fluctuations. It is estimated that this method of buying is saving the county $100,000 a month. Of the $8,000,000 in goods purchased annually by Colonel Allen for the fifty-five county departments, goods to the value of $4,000,000 pass through the shelves of the five-floor warehouse, which is the general store. Colonel Allen expects the second-year savings to surpass the $1,100,000 saved in the initial year.

Centralized Purchasing Demanded in Washington Counties

Popular demand in King County, Washington, for the establishment of a central purchasing department has gained added momentum through the activities of the Municipal League of Seattle. The league has brought to light a forty-five-year-old State Supreme Court ruling expressly authorizing the county commissioners to create a purchasing agency. It has also uncovered examples of gross waste of public money because of the absence of competitive bidding on county contracts. A recent example was the repair of twelve bronze doors on the County-City Building at a cost of $2,980 when other firms would have repaired the doors for about $500 or would have provided new doors like the old ones for $2,400. The retail purchase of automobile tires by each department has also been costing the county several thousand dollars a year more than the cost would be if purchased in quantity through competitive bids.

New Referendum on County Reform in New York

Reorganization of county offices in New York City will once more be placed before the voters at the November election in the form of a referendum on a charter amendment. The amendment would create a city-wide office of sheriff and a city-wide office of register and transfer to them the duties of the present five sheriffs and four registers. It is understood that the amendment would give the mayor power to appoint the new sheriff and register and that the present staffs aggregating nine hundred would be transferred to the city's civil service. A majority of the many political appointive jobs could be abolished. A saving estimated at $500,000 would result.

Approval of the amendment by the voters would make it mandatory upon the administration to carry the reforms into effect. Earlier efforts to accomplish essentially the same reforms have been blocked by the Board of Aldermen or the City Council.

Township Reorganization in New Jersey

A committee of citizens representing twelve districts of Bridgewater Township, New Jersey, will study and report on plans for reorganization of the township to insure its future growth on a well planned basis, with equitable representation in the governing body given to the residents of all districts. Various taxpayers' associations are represented on the committee.

In Passaic Township a group of citizens and taxpayers recently incorporated "to promote clean government, to promote civic welfare, to get a dollar of value for every dollar expended by public officials of the township, to secure a tax rate based on the true value of property, to protect municipal employees who are efficient and faithful, and to encourage the study of economic conditions as they affect taxation."

Township Road Bills Pass in Pennsylvania

Authority for the administration of Pennsylvania local roads is being returned to second-class townships under the provisions of two acts passed by the legislature and signed by the Governor, reports *Better Roads.*

Since 1933 the state has allocated money for the maintenance of township roads, but supervision of its expenditure has been in the hands of the State Department of Highways. At the present time a substantial balance remains in the fund appropriated for township road maintenance by the 1937 legislature. One of the recently passed acts provides that this is to be turned back to the townships, for expenditure by local officials, on a straight mileage basis.

The second act sets up a road fund of $8,500,000 for distribution to the townships during the years 1940-41. Township allocations are to be spent by local officials, and distribution is on a straight mileage basis. It is estimated that this state aid will amount to about $95 a mile annually.

Wisconsin Local Units Get More State Aid

To ease the property tax burden on local units of government in Wisconsin, the 1939 legislature, reports *Better Roads,* has increased highway aids to the counties, towns, villages, and cities by $2,667,000 annually.

Aid to county trunks is increased from $3,000,000 to $3,500,000 plus an additional $65 a mile for each mile of county trunk, which amounts to $940,670. The total increase in aid to county trunks amounts to 48 per cent.

The new law boosts aids paid to town roads and village streets from $50 a mile to $65 a mile. It also jumps aid to cities a flat 30 per cent. Aids to city streets will vary from $130 a mile to $520, depending on population.

In Wisconsin, as in other states, the expense of local roads and streets falls heavily on the local units of government, which must levy property taxes for highways to add to the gasoline tax and license fee money they receive from the state. In 1937 the local units of government in Wisconsin spent a total of $40,700,000 on highways and streets and received only $10,900,000 in gas tax and license fee refunds from the state. Only 26.7 per cent of the cost of local roads and streets came from motor taxes. Under the new schedule of aids, the proportion paid by motor taxes will be increased to 33.2 per cent.

Pennsylvania Improves Permanent Registration System

Legislation enacted by the recent Pennsylvania legislature for the improvement of the permanent registration system is expected to produce savings to taxpayers, great convenience to the registered voters, and more accurate records for those who desire to check the status of any registrant, according to John A. MacGuffie, chairman of the legislative committee of the Pennsylvania State Association of County Commissioners, writing in the July issue of *Your Dollar's Worth,* organ of the Pennsylvania Economy League. Meetings of county commissioners and registration clerks were held last fall in Pittsburgh at the invitation of the league to discuss permanent registration problems. As a result of thorough-going discussion various improvements to the existing legislation were worked out and bills were drafted and later enacted into law.

New Jersey Ends Relief Impasse

States Tax Federal Salaries

Homestead Tax Exemption Costs Billions

By WADE S. SMITH

After months of fruitless discussion and numerous recesses, the New Jersey legislature on August 10th agreed upon and enacted a program for financing the state's emergency relief problem. The program is to provide a total of $33,000,000, to meet 1939 and 1940 requirements. Of the total, $21,000,000 is to come from the sale of bonds, while the remaining $12,000,000 is to be diverted from various funds having cash balances at present. A move to provide the money from current revenues by imposing a state two-cent cigarette tax was defeated before the final program was adopted.

The $21,000,000 relief bond issue cannot be sold until the bonds have been approved by the voters of the state, something which cannot occur before the November elections.

The money to be secured by diversion of other funds is of course immediately available. Of these latter funds, $2,000,000 will be diverted from the proceeds of grade-crossing elimination bonds previously authorized, $5,000,000 will be diverted from highway funds, $3,000,000 will be diverted from the sinking fund, and $2,000,000 will be borrowed from the State Teachers' Pension and Annuity Fund. The Governor later vetoed the bill diverting $3,000,000 from the sinking fund, holding it illegal. Although the relief bond issue provides the bulk of the proposed financing, and the plan would be dealt a death blow if the voters refuse to approve the issue, opposition to the borrowing has not yet been heard to any great extent, and most observers believe that the bonds will be ratified.

The plan contemplates using $6,000,000 of the $33,000,000 provided by applying it to the 1938 relief deficit and the deficit in the general fund. The remainder will be divided between the current and next fiscal year, $13,500,000 for 1939 and $13,500,000 for 1940.

Other legislation fixes the maximum of the state share for financing relief at 75 per cent, with the balance to be provided by the municipalities. (Last year the state provided $16,000,000, or 25 per cent, with actual requirements running to $24,000,000. The new program assures complete reimbursement of the municipalities for 1938 relief costs.) Until the 1939 funds become available, municipalities are authorized to issue temporary notes for relief costs, to mature in not more than five years and to be deductible in computing the local debt limits.

Earlier, in July, voters of the state ratified a constitutional amendment legalizing horse racing in the state. The amendment will permit pari-mutuel betting, and its backers expect it to be an important revenue producer for the state treasury.

States Prepare to Tax Federal Salaries

At least twenty-five of the thirty-one states having personal income tax laws are prepared to tax the salaries of federal employees under the public salary tax act passed by Congress this year, the Federation of Tax Administrators reports.

In some of these states no statutory changes in the state law were necessary; in others legislation was necessary to delete provisions exempting federal salaries from state taxation.

The new federal salary act raised numerous administrative problems for tax officials throughout the country. In Montana, for example, the salaries of Home Owners' Loan Corporation employees had been subject, under a State Supreme Court decision, to state income taxation before the federal act was passed. The Montana income tax department hesitated to attempt collection of delinquent income taxes of several HOLC employees, however, because the public salary tax act provides that if a state collects taxes on any federal salaries received before January 1, 1939, all state salaries received during the same period will be taxed by the federal government.

Reports from other states which also had taxed certain federal salaries before passage of the federal salary act indicated they will not press the tax claims.

California will not attempt to collect taxes on federal salaries even though they were assessed before 1939. Payments made prior to the act will not be refunded, but those made after the act will be, the report said.

Colorado will grant refunds to all federal employees who paid taxes levied prior to the federal act, provided the taxpayer fills out an application for refund, or if the payment is discovered in the course of the regular examination of returns.

Louisiana will not enforce assessments made previously to the federal act, but no decision has been reached on the matter of refunding taxes already paid. Missouri has entered suits for collection where the assessment has not been protested. These suits are not being pressed, however, and the state has requested a ruling from the Internal Revenue Bureau. New York, South Dakota, and Wisconsin report they are facing the problem, but that no decision has been reached.

Homestead Laws Exempt Three Billion Dollars of Real Property

Thirteen states are giving up revenues on more than three billion dollars' worth of real property this year through homestead tax exemption and preference laws, according to a survey by the National Association of Assessing Officers.

The three billion dollars represents approximately one-sixth of the value of property which, if there were no homestead exemption laws, would be eligible for property taxation in the thirteen states, according to the report. Estimates were based on 1936-38 valuations.

Although three states—Arkansas, Georgia, and Oklahoma—liberalized slightly their existing homestead exemption laws this year, no new states joined the thirteen which already had adopted such acts. The first of the laws became effective in Texas in 1933, and the last, Georgia's, in 1938. Mississippi's law was expanded considerably last year, and a second homestead exemption amendment was added to the Louisiana constitution.

Ten of the thirteen states—Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Oklahoma, South Dakota, Texas, and Wyoming—give preference by outright exemption from part or all property taxes on part or all homestead values.

Two of the states, Iowa and West Virginia, grant preferential tax rates, while Minnesota, the remaining state, grants both outright exemption and tax rate preference. In Iowa the first $2,500 in value, or the first 140 acres, of a homestead is taxed at a rate of 25 mills less than the general property tax rate. In West Virginia the value of rural homesteads is taxed at two-thirds, and urban lands at one-half, the general property rate. Minnesota assesses rural homesteads at three-fifths, and urban homesteads at five-eighths, the rate assessed non-homesteads of equal value.

Exemptions from levies of all governments is allowed in Florida, Oklahoma, and Wyoming. In Florida, however, where the exemption is up to $5,000, it does not extend to levies for local debt service and for special benefits. The Oklahoma exemption, up to $1,000, is for all levies except local debt service. In Wyoming the homestead tax exemption is absolute up to $500.

In five of the states—Alabama, Arkansas, Minnesota, South Dakota, and Texas—outright exemptions are granted from state levies only. They range from $1,000 on assessed value, or $2,000 on true value, in Arkansas, to $2,000 assessed value or $3,333 true value in Alabama.

Georgia, Louisiana, and Mississippi exempt homesteads from certain state and some, but not all, local levies. Georgia limits its exemption to $2,000, and applies it to state, county, and school district levies. There is a $1,000 exemption granted in Louisiana, applying to state, parish, special districts, and New Orleans levies. The Mississippi exemption, up to $5,000, applies to state, county, road, and school district maintenance levies, but not to levies for prior or future debt service.

Census Bureau Division Renamed

The Bureau of the Census has recently announced that the former Division of Financial Statistics of States and Cities has been renamed the Division of State and Local Government. Renaming of the division reflects a considerable expansion of its activities, and follows fruitful efforts during the past two years or so to revise the presentation and scope of local statistics so as to enhance their usefulness C. E. Rightor is chief statistician of the division, E. R. Gray is assistant chief, and Lewis Sims is technical advisor.

Conferences to Discuss Governmental Finance

State and local finances and fiscal procedures will be extensively reviewed in no less than three conferences to be held during September and October. The annual conference of the Governmental Research Association, to be held at Princeton, New Jersey, on September 6th to 9th, while it contains no symposium devoted directly to fiscal problems, is sure to hear an extensive review of local financial practices in scheduled discussions on local research bureau technique. At San Francisco on September 20th a municipal accounting clinic will be held at the annual meeting of the American Institute of Accountants, with a program arranged by the Institute's Committee on Governmental Accounting. Emphasis will be on accounting procedures in San Francisco and Los Angeles. Finally, on October 16th to 19th, also at San Francisco, the Municipal Finance Officers Association will hold its annual meeting.

Proportional Representation Advancing

A New York County to Vote This Fall

The Use of P.R. in Other Countries

The Movement in Great Britain

By **GEORGE H. HALLETT, JR.**

Onondaga County, which includes the city of Syracuse, New York, and an additional suburban and rural population of about 90,000 persons, is to vote in November upon the adoption of a county manager plan with proportional representation.

The specific proposal is Plan B, as outlined in the *Optional County Government Law*, adopted in 1937. This provides for the elimination of all elective county officers with the sole exception of the judges. Onondaga County now elects district attorney, sheriff, coroner, commissioner of public welfare, auditor, clerk, and treasurer. Under the proposed plan there would be seven departments within which all county administrative functions would be concentrated. The six department heads for finance, public works, public safety, public health, public welfare, and records, would be appointed by and responsible to the county manager. The county manager and the seventh department head, the director of law, would be appointed by the county board.

The county board, now composed of thirty-eight members, elected one from each of the nineteen city wards and the nineteen country towns (townships), would be reduced in size to ten members. Five of these would be elected from the city of Syracuse (population 225,000), and five from the country towns (population 90,000). Thus the relative representation of city and rural areas would remain as at present. Inequalities in voting strength between the various city wards and among the nineteen towns would, however, be removed through this plan.

The proposal was originally sponsored by the Democratic party, which at present holds only one of the thirty-eight seats in the county board and that merely because of Republican endorsement. The 13,500 signatures of the petition asking for an election were obtained with a comfortable number in excess of the 10 per cent requirement. At the date of present writing, the Republican party has not expressed any official position on the proposal. Neither of the two daily newspapers has taken an unequivocal position.

ROBERT F. STEADMAN
Syracuse University

Boys' State Uses P.R.

The Boys' State, a miniature state, county, and city government operated entirely by boys for one week each year under the auspices of the West Virginia American Legion, adopted at its session this June a constitutional amendment requiring all cities in the state to use the city manager plan with proportional representation already in force in the city of Wheeling.

"After the legislature adjourned," said a Jackson's Mill, West Virginia, Associated Press dispatch on June 9th, "the 'citizens' of the American Legion's annual school in practical government put into effect the Cincinnati plan of city government which was ratified in a constitutional amendment yesterday.

"They voted for councilmen under the proportional representation system. The councilmen in the ten 'county seats' will select city managers."

Julian Hearne, Jr., of Wheeling gave a demonstration of P. R. to the four hundred boys present before the amendment was adopted.

A Survey of the P.R. Field

The P. R. Society of Great Britain, 82 Victoria Street, London, S. W. 1, issues every year a report of its work including a record of progress in the P. R. field throughout the world. The following are significant excerpts from the latest report, issued in June under the title "Fair Representation in Democratic Countries":

The most important evidence [for electoral reform] from within the English-speaking world comes from Ireland. In 1937, after a testing period of sixteen years in parliamentary and municipal elections, P. R. was made part of the constitution of Eire. Nor are the possible applications of the system in Ireland yet exhausted. In October 1938, Mr. de Valera put forward proposals which envisaged an all-Ireland Parliament. "If I could have my own way," he said, "I would have immediately a single All-Ireland Parliament, elected on a system of proportional representation so as to be fair to minorities." In Northern Ireland, although the ruling majority has not been friendly to proportional representation, P. R. is nevertheless in use in the election of the members of the local Parliament representing the university, and also in the election of the Senate.

In Great Britain the use of proportional representation is limited to the election of members for the universities, but even in this restricted sphere the system has shown its merits; it has been the means of providing representation for a substantial minority in three out of the four university constituencies to which it applies. And this is not all. The idea grows in acceptance. The majority principle is no longer a *sine qua non* in elections. There have been many proposals for the reform of the House of Lords, and in every one proportional representation has been put forward as the method of election.

In the Ullswater Conference of 1930, the question of applying P. R. to the election of the House of Commons was again considered, and after a thorough discussion of the question in all its aspects the conference resolved by a majority in favor of including proportional representation in any new electoral reform bill. P. R. is, indeed, the key and corner stone of constitutional reform in Great Britain.

Further, the British Parliament, when dealing with the problem of representation presented by India, deemed it necessary to provide for the separate representation of minorities (on a basis that approached proportionality), and it included in the Government of India Act provisions for the use of the single transferable vote form of proportional representation in the election of the Federal Legislative Assembly.

Every year the problem of representation arises in some form or other. The new Letters Patent for Malta granted by the King in Council (February 1939) contain provision for the use of proportional representation in electing the non-official members of the Council of Government. In Palestine the municipal council of Tel-Aviv and other local councils, and the Elected Assembly of Palestine Jewry, are already elected by P. R., and it is very probable that in any extension of self-governing powers, such as is contemplated in the statement of policy of H. M. Government (White Paper Cmd. 6019, May 1939), provision will be made for the fair representation of minorities. No constitutional question can now be dealt with by the British Parliament without considering the twin problems of representation and the method of election.

In the dominions there are many examples of the use of proportional representation. In Australia the House of Assembly of Tasmania has been elected for more than thirty years by proportional representation; in New South Wales the Legislative Council is elected, indirectly, by the same method; in South Africa the Senate of the Union is elected, also indirectly, by proportional representation; Canada provides examples of the system in the election of the representatives of Winnipeg to the legislature of Manitoba (since 1920) and in the election of the representatives of Calgary and Edmonton to the legislature of Alberta, as well as in certain municipal elections. . . .

In Europe, the progress in the use of proportional representation has been remarkable. Most of the countries where free institutions are deeply rooted apply proportional representation in parliamentary and municipal elections. These include Finland, Norway, Sweden, Denmark, Holland, Belgium, and Switzerland. France is the only democratic country in western Europe which has never used proportional representation, but France is deeply concerned as to the conditions under which the next election of the Chamber of Deputies will take place. A P. R. bill has been introduced; there was a full debate on the method of election, and the first clause of the bill, which provides that proportional representation shall be applied in the election of the Chamber, was passed on March 28, 1939, by a large majority —425 votes to 158.

Proportional representation is, therefore, an ever-spreading movement forming part of the public life of nations, and every year in several countries elections which will form the basis of the national government for a number of years are held under the proportional system. The more important of these during the past year took place in Eire, Denmark, and Belgium.

Eire

The general election took place in Eire, in June, 1938.[1] . . .

The election maintained Mr. de Valera in power with an increased majority. During the seventeen years in which

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[1] This election was reported in the August 1938 REVIEW, page 421—EDITOR.

P. R. has applied in the election of the Dáil, there has been only one change of government. Mr. Cosgrave's government lasted for ten years; Mr. de Valera's government has already lasted for seven years. . . .

Denmark

In Denmark a general election of both Houses of Parliament, each on the basis of proportional representation, took place in April 1939. The result for the Lower House was as follows:

Denmark—Folketing
General Election, 1939

Party	*Votes*	*Seats*
Socialist	728,561	64
Radical	161,195	14
Liberal	309,154	30
Conservative	301,667	26
Farmers party	50,791	4
Communist	40,896	3
Justice party	33,717	3
National Socialist	30,943	3
Sleswig party	15,134	1
Others	26,512	0

The election did not give an absolute majority to any one party, but Herr Stauning remained as Prime Minister at the head of the Socialist-Radical Coalition Government. Denmark presents another example of a long-lived administration. After the election the Prime Minister was publicly entertained to celebrate his ten years' premiership.

Belgium and Holland

In Belgium also a general election of both houses of Parliament took place in April 1939. The Senate is an indirectly elected body, but the principle of P. R. is applied at all stages.

The general election followed a political crisis which arose out of the conflicting claims of the two national strains existing in the nation—the Flemish and the Walloon. The King of the Belgians issued before the election a striking appeal for national unity, and there was a considerable turnover in favor of the parties of the Right. The resulting government is a coalition of the Catholic, or Conservative, and the Liberal parties. Dr. Emile Cammaerts, professor of Belgian Institutions in the University of London, in a broadcast talk given in London during the crisis, said that he had learned from long experience that the foundations of government in Belgium were sound. The election confirms this verdict The result was:

Belgium—Chambre des Représentants
General Election, 1939

Party	*Votes*	*Seats*
Catholic	764,835	73
Liberal	406,208	33
Socialist	705,979	64
Flemish Nationalist	185,470	17
Communist	125,428	9
Rex party	103,821	4
Others	46,687	2

In Holland the election took place in April 1939 of the provincial councils. These elections are of more than local importance, for the provincial councils elect the upper house. The elections showed a decline in the National Socialist vote and are considered to have further strengthened the Government of Dr. Colijn, who has been Prime Minister continuously since 1933.

The extent to which P. R. has entered into the life of democratic communities in these various countries is profoundly significant. P. R. has been in use for twenty or more years, and in none of these countries is there any suggestion of an alternative basis for national government. P. R. is established and accepted. . . .

The Dominions

In Australia the P. R. Societies of New South Wales, Victoria, and South Australia continue their activities, pressing particularly for the application of P. R. in the election of the Commonwealth Senate, of state parliaments, and, in New South Wales, in municipal elections.

The late Prime Minister of Australia, Mr. J. A. Lyons, was a firm believer in the value of proportional representation. He had held the offices first of treasurer and then of premier in Tasmania, where he had personal experience of the working of the system. He described the present system of electing the Senate of Australia as an "immoral" system, and, after the last election of the Commonwealth Senate, typically unfair in its result, he said he considered he had a mandate to appoint a select committee to reform the system of voting for the Senate. Unfortunately all his colleagues in the Commonwealth Cabinet did not share his attitude towards this reform.

In New Zealand the general election of 1938 resulted in a substantial victory for the Labor party, which polled a majority both in votes and in seats. In the large cities of Auckland, Wellington, Christchurch, Dunedin, including some adjacent boroughs, every seat but one, eighteen out of nineteen, fell to the Labor party.

The result for the whole House of Representatives, quoting press figures for votes cast, was as follows:

New Zealand—House of Representatives
General Election, 1938

Party	*Votes*	*Seats*
Labor	494,425	54
Nationalist	356,031	24
Independent and others	34,855	2

The Labor party at one time included P. R. in its political program; it now has the opportunity for effective action. The question continues to be of interest to the press of New Zealand. The *Christchurch Star-Sun* devoted a leading article to a review of *The Case for Electoral Reform,* by Mr. S. R. Daniels; the *Dominion* (Wellington) and the *Star* (Auckland) printed long extracts from the society's reports upon the New York and Irish elections. . . .

The Future of Government and P. R.

Every advance in the government of man is the outcome of conscious and sustained efforts on the part of individuals or groups of individuals. The problem of how to improve government is not a passing one, temporary in character. It will always be with us. Every failure even—be it the corruption and boss control of municipal government in the United States, the part played by wealth in the selection of candidates for the House of Commons, or the non-fulfillment of the hopes entertained of the League of Nations—is but a challenge to the human spirit. The minds of men must continue to plan for the improvement of municipal, national, world government.

Elections are the foundations on which rest all the representative institutions of modern democracies; and so, in all planning for the future of government, the method of voting must be considered. When the League of Nations was constituted scant attention was given to methods of election; they were regarded as of little importance. The Assembly of the League, instead of being, as proposed by Sir John Fischer Williams and others, an Assembly of representatives of parliaments, or of nations, became in general an Assembly of the nominees of governments. Moreover, the dubious practices associated with the election of the Council of the League called forth severe condemnation from Lord Cecil and others. These practices gave rise to so much suspicion and distrust that the government of Norway felt constrained to put forward proposals for reform, and the reform proposed was the adoption of the single transferable vote form of P. R. Norway was unsuccessful in its efforts; it was difficult to achieve reform once the machinery of the League had been established.

We, who are confident of the ultimate triumph of free institutions, foresee that there will and must be many new developments in their organization; it is wise to study and to plan; and the Proportional Representation Society is making a contribution of high value to the evolution of democratic government in preparing the way for reform, in urging that electoral laws should embody principles that command men's intellectual assent and respect.

The British P.R. Society

The annual meeting of the British P. R. Society was held in a committee room of the House of Commons on June 14, 1939, with the Right Honorable Earl Grey, president of the Society, in the chair. The main business of the meeting was the consideration of the annual report referred to above. It was discussed by Cecil H. Wilson, H. Leslie Boyce, and T. Edmund Harvey, members of Parliament representing different political faiths; F. W. Baldwin, a former member of the legislature of Nova Scotia; and Mrs. C. I. Hilyer, a member of the town council of Bournemouth. A cable of greeting was sent to the Proportional Representation League of the United States.

One of the society's many activities during the past year was a very successful week-end school held at Cleveleys, near Blackpool, from Friday, September 30th, to Monday, October 3rd. "The opening address," says the society's report, "was given by Alderman Ashton, ex-Mayor of Blackpool. The subjects dealt with included a survey of the results of P. R. in Ireland over a period of seventeen years; P. R. in New York; a comparison of different methods of election—first-past-the-post, the block vote, the second ballot, the alternative vote; replies to objections; methods of election and the making of history."[2]

The society recently received a reversionary bequest of ten thousand pounds from Sir Robert McDougall, who had also contributed liberally during his lifetime. On the death of Lady McDougall shares now bearing that value are to be sold "for the creation of a special fund to be held at the disposal of the governing body [of the British P. R. Society] for a specific purpose at the choice and in the discretion of the governing body, such fund to bear the name of the Arthur McDougall Fund." Believers in the fundamental importance of electoral justice in the United States could do much to insure the continuance of present efforts to that end by following Sir Robert's example. The Proportional Representation League, now operating as a department of the National Municipal League, is incorporated and its trustees are in a position to administer such bequests in accordance with the donor's wishes.

TWENTY-ONE TENNESSEE CITIES

(Continued from Page 654)

private capital, which held aloof through fear the TVA would build competing systems and destroy the value of the existing property.

Editor's Note.—Actual sale of the properties involved, including the transfer of all necessary documents, deeds, and mortgage releases, took place in New York City on August 15th, at an elaborate ceremony held in one of the oldest and richest of that city's banks—the First National. Present were Wendell L. Willkie, president of the Commonwealth and Southern Corporation; David E. Lilienthal, power director of the TVA; Governor Prentice Cooper of Tennessee; Thomas C. Cummings, mayor of Nashville; and many other prominent public officials.

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[2] See the article on this subject by John H. Humphreys, secretary of the British P. R. Society, in the National Municipal Review for April 1938.

Books in Review

EDITED BY ELSIE S. PARKER

A Short History of Political Thinking. By Paul W. Ward. Chapel Hill, University of North Carolina Press, 1939. 127 pp. $1.50.

Announcement has been made of the formation of a society for the study of the history of ideas. This is a sign that mankind is coming of age. The librarian will have to give a great deal of space to books dealing with political thinking, both because of its importance and because of the tremendous amount that has been done. Certainly more space will be required than suggested by the competent bibliography which takes up over four pages of this book. All the more need will there be in such a library for small books, which, if they are well done, will change awe to interest in anyone appalled by the field to be covered. Such a book this is and fortunate will be the student who uses it, for it can be said that it is written in "technicolor."

But there is another group which needs it greatly. All those connected with government, whether as officials or laymen, are dealing with and are profoundly affected by the ideas this little book puts in their historical setting. To get a sense of how most of these ideas came to be born, and the strange vicissitudes some have had since, is to be much better equipped for one's job. This book will enable anyone in politics to get more pleasure than Sigmund Spaeth gets in detecting the original sources of tin pan alley songs, for this not only enables one to spot the echo of a long dead Egyptian in the economics of a Townsendite speech, but it lays bare the sources of what one imagines are his own original political ideas. Hence modesty arises and then, maybe, wisdom. A little book which can achieve that effect is worth not only reading but frequent reference.

W. J. M.

Your City. By E. L. Thorndike. New York City, Harcourt, Brace and Co., 1939. 204 pp. $2.00.

The word "yard" comes from "garth" or "girth" and time was when the official yard was the distance around the middle of the reigning king. Hence the variation between the yard of the anemic and ascetic Edward the Confessor and that of the valiant trencherman, Henry VIII. It took us several hundred years to agree to accept as a yard the distance between two scratches on an iridio-platinum bar of a certain temperature.

This book was written because it was felt that measurements are badly needed in a certain field—cities. And so a start is made with another king. He is quite a modern person, for in lieu of coats-of-arms and quarterings, none of them with the bar sinister, he is so smothered with scatter-charts, correlation tables, and such like heraldic devices that were patiently constructed in the three years it took to write this book, that it is hard to get a glimpse of him. He does not have an impediment in his speech but nevertheless uses a dialect only used by those who on occasion wear a monastic gown. In a moment of weakness he whispers his name on page 28 and it is quite imposing—"honest humanist." But as we watch him thereafter go through the mathematical gymnastics of the book, one wonders whether he may not be Dr. Thorndike himself.

But why worry; it may be several hundred years before we substitute two scratches for the average, the median, or the mode, of the likes, and the dislikes, of all the honest humanists that have been, are, or ever will be.

Therefore this reviewer suggests that civic clubs, leagues of voters, and similar groups, work through the ten exercises in arithmetic, "Measure Your City," on pages

153-155. It will be fun doing them so long as the answers are not viewed in the same category as Michelson's figure as to the velocity of light. The last chapter, however, "Improve Your City," should not be read by such organizations—they usually include a few persons without a sense of humor. The chapter should be headed "To be read only by reformers with a sense of humor." It will not hurt the sale of the book for the number is far more than is realized. Then when one of them needs relief from the irritation or boredom of reforming, it should be read. Laughter and chuckles will ensue, but I am afraid this will occur at the places the good doctor did not intend.

W. J. M.

Pressures on the Legislature of New Jersey. By Dayton D. McKean. New York, Columbia University Press, 1938. 251 pp. $2.75.

Outside the unsophisticated environs of a class in high school civics, there are no longer many adults who believe that laws are made by wise men who get together to figure out what is best for the state or the nation. Years ago Lincoln Steffens and the mud-rakers performed the act of disillusionment, and recent senatorial investigations in the nation and other kinds of exposés in the various states and cities have helped pile the evidence high. It is true that pressure groups—some of them frankly and boldly economic-minded ones—provide the grist of legislation for busy inexpert legislators; and it is even true, many admit, that those pressure groups are performing an essential and not wholly evil service.

Hence Professor McKean's book is important not so much for its startling revelations as for its painstaking setting down of all the facts about a single situation: the influence of pressure groups on the work of the legislature of New Jersey. He has examined the economic, geographic, legal, and social background from which the legislature and the pressure groups spring; has listed the representative groups and their methods of work; has illustrated the effects of pressure groups by giving the whole story of the fight over the New Jersey sales tax; and has set down some realistic, albeit pessimistic conclusions.

Professor McKean minimizes the importance of corrupt methods of influencing the work of New Jersey law-makers, which comes somewhat as a surprise to one who has followed recent scandals involving highly corrupt pressure on the New York State legislature—a law-making body which seems to be several notches superior in general calibre to that of the state across the river. As a one-time member of the state legislature, however, Mr. McKean *should* know.

M. R.

A Standard Classification of Municipal Revenues and Expenditures. By National Committee on Municipal Accounting. Chicago, 1939. x, 103 pp. $1.00.

The improved method of classifying the municipal income and spending recommended by this volume is the result of five years of study and analysis of financial reports from 150 cities of varying size. The book sets up a standardized method of reporting all information necessary for sound financial management of a city, which, if generally adopted, would provide more specific information on city finances and also furnish a basis for comparisons between cities.

Prepared for the use of municipalities as part of their accounting systems, the classification is usable by all cities, irrespective of size, activities, structure, or present system of accounting. With adaptations, it can be applied to other public units. It is designed also for use by state and federal agencies in developing uniform classifications for reporting purposes.

State Aid to Local Government in California. By Winston W. Crouch. Berkeley, University of California Press, 1939. 199 pp. $2.00.

The history of state aid in California is virtually coincident with the history of the state. "California began subsidizing local school administration in 1852." Other types of financial assistance to local governments followed in quick succession. The author discusses state aid for schools, poor relief, unemployed, health, highways, conservation, and, what is somewhat unique, the granting of tidelands to municipalities and other local governments.

The author raises the question as to whether state aid does not continue the existence of weak and inefficient governental units. He cites the problem of small mountain counties which are forced to rely upon the state for a major share of elementary school funds. All in all, the author finds that local units of government are "growing more dependent upon the state for financial support" and that the "state in turn has exacted some compliance with standards and has exerted both legislative and administrative control."

The Management of Municipal Public Works. By Donald C. Stone, Chicago, Public Administration Service, 1939. xv, 344 pp. $3.75.

This book is the first presentation of a thorough-going analysis of the factors involved in the management of a city's works program. The author has attempted to trace the essentials of management and to translate them into terms of municipal public works administration. The facts presented are based to a large extent upon actual installations of public works procedure in various cities and make the book a practical working tool for the administrator as well as a comprehensive handbook for the student. Numerous forms, which have been tested by actual use in various cities, are used as illustrative material and add much to the usefulness of the volume.

City Planning—Why and How. By Harold MacLean Lewis. New York, Longmans, Green & Company, 1939. xxi, 257 pp. $2.50.

This volume attempts to set forth in simple language the need and advantages of planning for the future growth and change which takes place in a municipality. It is comprised of two main sections the first of which discusses the "whys" of city planning, the second its "hows." The author has tied both the "whys" and "hows" to the ordinary activities of citizens in order that planning will not be thought of as a science to be dealt with only by trained technicians but as something intimately tied to his daily routine and personal welfare.

A chapter on conclusions together with a short bibliography and index complete the book, which is well illustrated with maps and diagrams taken from planning studies in many different cities.

Additional Books and Reports Received[1]

Assessments

Judicial Review Agencies. Fifth Progress Report of the Committee on Assessment Organization and Personnel. Chicago, National Association of Assessing Officers, 1939. 30 pp. mimeo. Seventy-five cents.

Civil Service

Employee Training Policy. Report of Committee on In-Service Training. Washington, D. C., United States Department of Agriculture, Office of Personnel, 1939. iv, 40 pp. mimeo.

Research in Public Personnel Administration—Scope and Method. By Leonard D. White. New York, Committee on Public Administration, Social Science

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[1] See also "Research Reports Received," page 658.

Research Council, 1939. iv, 36 pp. Fifty cents.

The Lawyer in the Civil Service—Recruitment, Selection and Opportunities. By H. Eliot Kaplan. (Report of The Committee on Municipal Civil Service and Improvement of Governmental Personnel.) Chicago, American Bar Association, 1939. 15 pp.

County Government

County Consolidation Acts of 1939. Nashville, Tennessee State Planning Commission, 1939. viii, 17 pp. mimeo.

Elections

Objections to P. R. Answered. By John H. Humphreys. London, Proportional Representation Society, 1939. 32 pp. 6d.

The Initiative and the Referendum in California. By V. O. Key, Jr., and Winston W. Crouch. Berkeley, California, University of California Press, 1939. vii, 176 pp. $1.75.

Housing

Annual Report of the United States Housing Authority 1938. Washington, D. C., Government Printing Office, 1939. vii, 63 pp.

What the Housing Act Can Do for Your City. By United States Housing Authority. Washington, D. C., Superintendent of Documents, 1938. vi, 88 pp. illus. Twenty cents.

Municipal Government

City Problems of 1938-39. The Annual Proceedings of the United States Conference of Mayors, New York City, May 15-17, 1939. Edited by Paul V. Betters. Washington, D. C., The United States Conference of Mayors, 1939. iv, 108 pp. $3.00.

History of the London County Council 1889-1939. By Sir Gwilym Gibbon and Reginald W. Bell. London, Macmillan & Co., Limited, 1939. xxvi, 696 pp. $7.00.

Municipal Government and Administration in Tennessee. By Lyndon E. Abbott and Lee S. Greene. Knoxville, Tennessee, University of Tennessee, 1939. 128 pp.

Report of the Committee on Consolidation and Reorganization of City and County Government. Chicago, American Bar Association, 1939. 10 pp. mimeo.

Public Health and Welfare

Migrant Families. By John N. Webb and Malcolm Brown. Washington, D. C., United States Government Printing Office, 1938. xxx, 192 pp.

Public Health Law (Third edition). By James A. Tobey. New York City, The Commonwealth Fund, 1939. xx, 414 pp. $3.50.

Public Works

Public Works Engineers' Yearbook 1939. Including the Proceedings of the 1938 Public Works Congress, New York City, October 3-5, 1938. Chicago, American Public Works Association, 1939. viii, 457 pp. $3.50.

Recreation

Local Community Fact Book 1938. By Louis Wirth and Margaret Furez, with the aid of Edward L. Burchard. Chicago, Chicago Recreation Commission, 1938. 160 pp. $1.00 (Apply to Municipal Reference Library, City Hall, Chicago).

Recreation by Community Areas in Chicago (Chicago Recreation Survey, Vol. IV). By Arthur J. Todd in collaboration with William F. Byron and Howard L. Vierow. Chicago, Chicago Recreation Commission, 1939. 428 pp. Charts, tables, pictures.

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Design for Pennsylvania Localities

H. F. Alderfer

Replanning for Depopulation

R. Burr Smith

Thrift via County Consolidation

H. F. Scoville

A Taft in City Hall

Miriam Roher

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NATIONAL MUNICIPAL LEAGUE

The League's Business

Important Notice on League's Convention

Because this year's convention city, Indianapolis, is easily accessible by motor from many mid-western points, the League has decided to open its forty-fifth National Conference on Government at 2 o'clock on Wednesday afternoon, November 15th, and close it with luncheon on Friday, November 17th. The Hotel Severin has been selected as convention headquarters. As Indianapolis will be crowded that week, reservations should be made as early as possible, either through this office or directly to the hotel.

Nominating Committee Appointed

Dr. C. A. Dykstra, the League's president, has appointed the following members to the committee on nomination of League officers for 1940: William C. Beyer, Philadelphia Bureau of Municipal Research, *chairman;* Carl H. Chatters, Municipal Finance Officers' Association; S. V. Norton, Oakland Citizens League; John F. Sly, Princeton Local Government Survey; and Morton L. Wallerstein, League of Virginia Municipalities.

New Committee on Model State Constitution

President Dykstra has also announced a new committee to revise the League's *Model State Constitution.* Among those invited to serve are: W. Brooke Graves, Temple University, *chairman;* Frank Bane, Director of the Council of State Governments; Dr. Charles A. Beard, New Milford, Connecticut; George C. S. Benson, University of Michigan; A. E. Buck, Institute of Public Administration; J. Alton Burdine, University of Texas; Finla G. Crawford, Syracuse University; Walter F. Dodd, Chicago; John A. Fairlie, University of Illinois; Oliver P. Field, University of Indiana; Hubert R. Gallagher, Council of State Governments; Arthur N. Holcombe, Harvard University; Rodney L. Mott, Colgate University; Robert S. Rankin, Duke University; Lindsay Rogers, Columbia University; and Frank M. Stewart, University of California at Los Angeles.

League Personalities

Carl H. Pforzheimer, treasurer of the League, has recently been appointed as chairman of the Westchester County, New York, Planning Board.

John N. Edy, honorary vice president of the League, has resigned the city managership of Toledo, Ohio, to become administrative assistant to John Carmody, Federal Works Administrator. We regret that this action removes from the field of local government one of the best administrators the city manager plan has produced, but are aware that Toledo's loss is the federal government's gain and wish Mr. Edy every success in his new venture.

HOWARD P. JONES, *Secretary*

45th ANNUAL NATIONAL CONFERENCE ON
GOVERNMENT ● INDIANAPOLIS
SEVERIN HOTEL—NOVEMBER 15, 16 AND 17

National Municipal Review

Editorial Comment

The War and Our Cities

THE impact of war on the conduct and maintenance of municipal services will be given some attention at the National Municipal League's forty-fifth annual National Conference on Government at Indianapolis, November 15, 16, and 17.[1] For, even though our cities are fortunate enough to escape the necessity of providing air raid shelters, drilling their populations to withstand a rain of bombs, evacuating children and invalids, doing without lights at night, and so on, the effect of current events in Europe was felt immediately and will continue to be felt by cities in the United States.

The Mayor of New York City, for example, promptly clamped a $20,000,000 limit on the city's 1940 capital outlay budget, in the face of requests for a total of more than $200,000,000. Calling attention to increasing interest rates and commodity prices, he warned the City Planning Commission to hold in abeyance all but indispensable projects.

This was the most obvious and first effect of the war: money, which has been looking for safe investments for some years (to the great benefit in low interest rates of city and other governmental borrowers), is finding more fruitful fields during war-time expansion.

But there will be other "local" problems. A profiteering scare made an impromptu appearance, and some cities moved to intercept it. Medical authorities are warning of the possibility of influenza epidemics—an indication of just one of the emergency health problems. While increased industrial activity may lighten the relief load, it may be accompanied by housing shortages in population centers and very likely by plans for intelligent rent control.[2] Lip service is being paid to the idea of soft-pedaling politics for the sake of presenting a united front, and it might be well at the same time to consider whether and how this trend will affect personal liberties which are so prone to roll over and play dead the minute war starts, even though the people of this country are involved only by their various sympathies. A broader and less tangible problem than any of these is the continuance of interest and progress in the improvement of local government. In recent years, despite the generally unsettled condition of world affairs, this progress has been dramatic and resultful, and it will be remembered that it was during the war period, 1914 to 1918, that the council-manager plan experienced its period of most rapid growth and won widespread recognition as the most effective form of government for American cities.

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[1] Other subjects: citizen action in a democracy, role of the university in state and local government, citizen groups and local parties, state planning, metropolitan government, election methods, problems of public welfare, new trends in expenditure control, city management.

[2] *Rent Control in War and Peace,* a new book (paper cover) to be published soon, National Municipal League, fifty cents.

It will not benefit us as a nation to permit retrogression at the local level. If local affairs, as links in the larger chain, were important in the past, how much more vital they are now. If good methods in management, honesty in high places, and genuine citizen control were desirable during normal times, they are more desirable today and will become indispensable if the limited emergency proclaimed by the president becomes unlimited.

Tools for the Legislative Council

SELDOM have state legislatures faced as many troublesome, controversial, new problems as in recent years; yet some of them have been doing a more orderly and businesslike job than ever before.

This is especially true in those few states where there are legislative councils or their equivalents. Naturally enough, councils appear to have functioned most effectively when they have been given adequate tools, but the definite injury already done to the basic theory by the withholding of such tools is a clear danger signal.

The first *Model State Constitution,* prepared by the National Municipal League's Committee on State Government in 1921 after several years of deliberation, provided for the legislative council "to collect information . . ., (consider) proposed legislation . . ., and (report) to the legislature with its recommendations thereon, . . . prepare . . . legislation . . . in the form of bills."

While it has long been a practice for various administrative agencies, legislative reference libraries, bureaus of governmental research, interim commissions and committees, universities and others to investigate special problems and to report to or attempt to influence legislatures, sometimes with definite proposals for legislation, it seems now to have been adequately demonstrated that this type of work is done best wholly within the legislature's control.

Wisconsin, in 1931, was the first state to attempt to establish a council, but what it created turned out to be an infrequently functioning advisory arm of the Governor rather than the legislature. Kansas and Michigan established legislative councils in 1933 (the latter abolished in 1939) and the Colorado legislature in the same year incorporated some of the features of such a council in its committee on interim committees. Since then Virginia, New Mexico, Kentucky, Nebraska, Illinois, Connecticut, Maryland, and Missouri have put this idea into effect.

It seems safe now to draw a number of general conclusions from practical experience, even though that experience has extended over less than a decade: the council is a major step forward in the legislative process; it tends to improve the quality of legislation and consequently to increase public confidence in the legislature; it permits the legislature to concentrate its attention on broad principles; it conserves time and expense; it tends to prevent costly and dangerous mistakes; it helps to thwart ignorance and special privilege; the expenditure of an adequate

(Continued on Page 693)

Replanning for Depopulation

By R. BURR SMITH, *University of Newark*

Brief outline of major problems facing municipalities today as a result of recent population trends; careful planning based on accurate knowledge necessary to efficient and economic administration.

THE modern municipal corporation is engaged constantly in the provision of services to the residents of its community. In order that these services may be rendered adequately at a rate consistent with the taxpaying capacity of the area, careful and accurate planning based upon the changing needs and income of the municipality is necessary. Among the most important trends now influencing problems of service and finance in the American city are those in the number and distribution of urban populations.

These trends point to sharp changes in conditions in urban areas. For a long period our cities have been accustomed to a rapidly expanding population. In the past, urban areas grew even more rapidly than the country at large. The great influx of European immigrants in the period from 1870 to 1914 settled largely in the commercial and industrial centers. Secondly, an internal shift from farm to city added constantly to urban numbers. Leon E. Truesdell, of the United States Bureau of the Census, estimates the extent of this movement at 750,000 annually between 1920 and 1930. The third factor in the growth of urban areas was the natural increase of its population through a surplus of births over deaths.

Today, our cities are facing a long period of slow growth, stability, or, in some cases, a decline in the number of residents. From 1900 to 1930 urban population increased 108.5 per cent, growing from 30,000,000 to 68,000,000. In the period from 1930 to 1960 it is estimated that the growth will be but 8.4 per cent or from 68,000,000 to 75,000,000.[1] The urban birth rate has shown a startling decline. According to the National Resources Committee, only three cities of over 100,000 population had a birth rate in 1930 sufficiently high to maintain their population. Since 1930 the decline in birth rates has been even more rapid. It is estimated that at present the birth rates of the larger American cities fail by 20 per cent to 30 per cent of replacement. There is no prospect for a reversal in this trend. In fact, the declining percentage of the urban population that is foreign-born will tend to produce a continued fall in the birth rate of these areas.

From what sources can these deficiencies be met? Between 1931 and 1935 there was a net *emigration* from this country by over 103,000. In view of present sentiments, no change in immigration policy toward accepting larger numbers can be expected. The deficiency in urban replacements can be met only by a continued large-scale movement of rural population into the cities. During the depth of the depression the normal trend from rural to urban areas was reversed. With a resumption of industrial activity the normal movement to the cities was resumed to some extent. Statistics show, however, that all communities are not equally favored. Older industrial communities, where the opportunities for employment are not expanding, are failing already to attract a sufficient number to maintain their population. The number of cities in this position is increasing steadily. Other urban centers will barely maintain their present numbers. A few, strategically located, may continue to grow for some time.

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[1] Segoe, L. "Urban Population and Industrial Trends." *Public Management*, June 1935.

FROM CITY TO SUBURB

The prospect for future urban growth and the problems of municipal planning are complicated further by the movement of people from urban to suburban communities. The study of urban conditions made by the National Resources Committee shows that the small satellite cities and suburban areas are growing at the expense of urban centers. In the past, new immigrants entering the city have filled the vacuum left by those moving outward. Today, this outward movement leaves blighted areas behind it. Districts in lower Manhattan have declined by 50 per cent from their peak number. This borough lost a net of 417,000 in population between 1920 and 1930 and has continued to lose in the succeeding nine years. City statistics show that the central area of New York City declined 25 per cent in population between 1920 and 1930; the central area of Chicago declined 24 per cent, and of Pittsburgh 7 per cent in the same period.[2] The continued expansion of transportation facilities makes a continuation of this trend highly probable.

Coincident with these changes in the numbers of residents is a shift in the age distribution of our population. It is estimated that the national school population declined by some 1,000,000 between 1930 and 1937. The National Resources Committee predicts a decline of 50 per cent in the numbers under twenty years of age by 1980 if present trends continue. Such declines are particularly acute in urban areas where the birth rate today is less than 50 per cent that of rural areas. At the same time the number of people in the older age groups is increasing rapidly. In the period 1935 to 1975 it is predicted that the number between forty-five and sixty-five years of age will increase by 69 per cent and that the number of those over sixty-five years of age in the United States will grow from 7,500,000 to some 22,000,000 in 1980. In other words, the population of this nation is becoming older as it becomes stable and birth rates decline.

Such changes in the number and age of our urban population cannot but produce serious problems in municipal planning. This article cannot hope to discuss these questions in detail. The following major problems, however, are recognized easily.

1. The depopulation of the older,

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[2] Veenstra, T. A. "Population Trends and Urban Planning." *Pittsburgh Business Review*, September 1935.

more central urban areas presents major problems of planning. If it continues at present rates, many municipal services in which fixed investments of large amounts have been made, will become obsolete. The need for schools, electric power, and transportation services in these areas will decline as they are dependent directly on numbers for their demand.

INCREASE IN SERVICE NECESSARY

At the same time the growth of population in the outer areas of the city results in an enlarged demand for expensive investment in exactly the same service industries. The result is not a simple transfer of services and investment from one area to another. The investments in the older areas are of a fixed nature, usually covered by municipal obligations. The effect of the shift of population is a duplication of facilities and investment without any comparable increase in the number of taxpayers. As a result, the cost and tax rate to support these services is increased.

2. If, as is often true, the suburban areas to which the population is moving lie beyond the borders of the central municipality, the result of this outward movement will be a decline in the number of taxpayers and an even greater decline in the value of taxable property in the city. No comparable decline will take place in the fixed overhead of city government. The net result will be a heavier per capita tax in an area in which the capacity to pay will be reduced because of declining business and investment income.

3. As residential areas in the central regions of cities decline, a shifting of retail business takes place. The establishment of branches of leading retail stores in suburban New Jersey, Westchester, and Long Island reflects the outward movement of population and retail business in the New York City area.

At the same time better transportation, better distribution of electric power, and lower labor and real estate costs are luring industries away from metropolitan centers. The study of D. B. Creamer of the University of Pennsylvania shows this shift from urban centers to suburban and satellite areas clearly. In the Middle Atlantic states the percentage of the total industrial jobs in large cities declined from 52 per cent in 1899 to 43 per cent in 1933, while the jobs in the outer industrial sections increased from 16 per cent to 24 per cent.

The result of this movement of commerce and industry away from the urban centers has been a sharp fall in real estate values. Again no proportionate reduction in the costs of municipal government can be made to meet the lessened ability to pay taxes.

4. The decline in the number of young persons and the increase in the older age groups result in a changing demand for municipal services. The need for public schools, children's libraries, playgrounds, etc., is decreasing and will continue to decrease. At the same time the demand for adult education and adult recreational facilities will increase. The larger number of dependent old people will probably increase the cost

of pensions and relief. Municipal planning in these fields must take careful account of these age shifts if it is to avoid the expenditure of money on services which will not be needed in the near future.

NO INCREASE IN TAX BASE

5. The effect of population trends on taxation and finance is of the most vital importance to municipal officials. It is improbable that they will find a tax base much if any larger in the future. As a result, if indiscriminate borrowing with the expectation that a larger future population will foot the bill is continued, the result will be bankruptcy. To a large extent, with municipal debts and taxes at their present high levels, improvements in the future must be paid for out of current funds if an unbearable tax load is to be avoided.

In those instances in which the nature of the fixed improvement fully justifies payment over a period of time, the term of the payment must be accurately adjusted to the lifetime of the improvement. Many municipalities in the past have been noted for their failure to observe this rule. An increasing tax base has absorbed mistakes of management. This cannot be expected in the future.

If the tax burden is to be distributed equitably, account must be taken of the changing values of real estate. Shifts in residential areas, commercial centers, and industrial plants are producing changed capacity of real estate to produce income. The values on which many present assessments are based were the result of expected expansion rather than actual income-producing capacity. As a result taxes now act as an unfair deterrent on the use of the property and tend to drive potential users to other areas, thus losing taxpayers to the city. It is questionable whether present municipal real estate taxation based on assessed valuation should be continued, or whether property taxation based on earning power would not be more equitable and effective.

This brief outline of the major problems facing municipal government as a result of population trends indicates the need of careful analysis and planning. It is suggested that each municipality should study its particular trends and that future construction and expenditure be based on the results of the study. Unless this is done, money will be spent unwisely, the debt load will be increased without adequate return, and the financial future of the city may be jeopardized. Careful planning based on accurate knowledge of population is essential to effective and economic city administration. In the past an increasing municipal income has tended to camouflage the effects of poor planning and injudicious spending. A stable or declining income reverses the picture, placing a high premium on planning and effective expenditure.

Well Springs of Our Laws

By HARVEY WALKER, *Ohio State University*

Sources of legislation introduced in Ohio Senate at 1939 session traced and compared with proposals of ten years previous.

TEN years ago the author made an inquiry among the members of the Ohio State Senate in order to ascertain the actual sources of legislative proposals. The results of this survey were reported in the September 1929 issue of the NATIONAL MUNICIPAL REVIEW. It was suggested at that time that other investigators should make similar inquiries in other states, and from session to session, in order to determine whether there was any uniformity in the findings from state to state and whether there were any discernible trends. If such studies were made, however, the author has not seen reports on the results.

With a view to such a test of technique it was considered desirable to make a second study in Ohio. Appropriately enough, the session which was studied was the fifth regular one since the original study—a lapse of just ten years.[1]

Three hundred twenty-five bills were introduced in the Senate in 1939 compared with 267 in 1929. Due to the fact that the investigation had to be completed before the close of the session only 311 bills were included in the 1939 study. The remainder of 14 represented some last-minute measures, seven of which became law. Of the 311, 147 were passed by the Senate, 97 of these were passed by the House, none were vetoed by the Governor—allowing 97 to become law as compared with 73 in 1929.

The student investigators reported that practically all of the members of the Senate coöperated with them wholeheartedly in supplying information. Only a few seemed reluctant to answer their questions. On 18 bills "no information" was reported. These bills have been credited to the individual members in the tabulations which follow. Five of them became law. It seems probable that the sponsors feared publicity on their origin when they were about to be passed.

It seems just as evident today as ten years ago that bills introduced by members as their own represent the smallest of the three categories suggested in the earlier study. In 1939 members originated 74 bills or 24 per cent of the total introduced as compared with 70 bills or 26 per cent in 1929. The success of these measures, however, seems to be on the increase. In 1929 only six bills, or 8 per cent of those which became law, were member-sponsored. In 1939 the number had increased to 16 and the percentage to 16, or double the 1929 figure.

As in the earlier study, there is little doubt that a number of bills were claimed by members as their own which should really have been credited to the lobby. But this factor is probably no more significant in 1939 than in 1929 and may therefore be disregarded as not affecting comparisons.

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[1] The data were gathered by three members of the author's class in legislation at the Ohio State University during the spring quarter of 1939—Carl Brandenberger, Robert Raudabaugh, and Harold Thornhill.

The second category, that of proposed legislation advanced by governmental agencies, shows an increase in bills introduced but a decrease in percentage of success. In 1929 there were 78 bills, 29 per cent of the total; in 1939, 112 bills, or 36 per cent of the total. Of these, 38, or 52 per cent, became law in 1929 as compared with 44, or 45 per cent, in 1939.

Federal intervention in state affairs is represented by three bills sponsored by or for federal agencies —the WPA, the Social Security Board, and the Federal Housing Administration. One became law. State departments provided 81, or 26 per cent of the total introduced, and 33, or 34 per cent of the total passed. In 1929 there were 42 state bills representing only 16 per cent of the number introduced and 18, or 24 per cent, became law. Administration proposals for legislation seem to be on the increase as well as administration success in securing the enactment of its suggestions.

As a matter of fact, in 1939 the Governor's office or spokesmen for him provided 14 bills of which 10 became law. These were referred to by the senators as administration measures. Many of them were introduced by the majority floor leader. On the other hand, the Adjutant General, an appointee of a previous administration, proposed two bills, neither of which became law. But the State Department of Education, also under Democratic control, suggested one measure which was passed.

OHIO SENATE

	1929	1939
Total number of bills introduced	267	311[a]
Senate bills passed by Senate	140	147
Senate bills passed by House	83	97
Vetoed by Governor	10	0
Senate bills which became law	73	97[b]
Per cent which became law	27	31

BILLS INTRODUCED

	1929		1939	
	Number	Per cent	Number	Per cent
Member bills	70	26	74	24
Lobby bills	119	45	125	40
Public bills	78	29	112	36
	267	100	311	100

BILLS PASSED

	1929		1939	
	Number	Per cent	Number	Per cent
Member bills	6	8	16	16
Lobby bills	29	40	37	39
Public bills	38	52	44	45
	73	100	97	100

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[a] Fourteen other bills not included—see text.

[b] Actual final total 104—see text.

The Division of Insurance suggested 10 bills, five of which became law. The Department of Highways, the Department of Welfare, the Division of Conservation, and the State Tax Commission proposed six each. One, two, one, and three of these respectively were enacted into law.

Three measures each were advanced by the Department of Agriculture, the Division of Banks, and the Public Utilities Commission. Only the banking division was successful. It was given everything it asked. The Department of Liquor Control and the Gasoline Tax Division offered two each with no success. Departments proposing one bill each included Education, Finance, Health, the State Fire Marshal, the State Architect and Engineer, the Industrial Commission, the State Bridge Commission, the Securities Division, the Division of Building and Loan Associations, the Secretary of State, the Auditor of State, the Speaker of the House, the Commission for the Blind, the Commission on Stream Pollution, the Division of Shore and Beach Erosion, the Commission on Delinquent Taxes, and the Ohio World's Fair Commission.

LOCAL GOVERNMENT BILLS

Local governments and local officials provided 28 bills of which only nine became law in 1939. There were 36, or 13 per cent, of those introduced in 1929. Of these 20, or 27 per cent, became law. Thus there was a significant drop in the number and percentage of local bills introduced and an even greater decrease in the success of this type of measure —from 27 per cent to 9 per cent.

Few local groups proposed more than one bill. The village officials in Cuyahoga County, the Cleveland Crime Commission, the Association of County Commissioners, the city of Toledo, and the County Treasurers' Association advanced two each. Among those suggesting one each were the cities of Oakwood, Miamisburg, Columbus, Cincinnati, and Dayton, the villages of Peninsula and Canal Winchester, the Common Pleas judges of Lorain County, the Municipal Court judges in Springfield, the Cleveland Metropolitan Park Board, the Cleveland Library Board, the Coshocton Board of Health, the Cleveland Board of Education, the Cleveland Health Department, the clerk of the Cleveland Municipal Court.

LOBBIES ACTIVE

The third category of bills is always of great interest. It includes proposals made by organizations, groups, and individuals who are generally considered together under the title of "lobby." In 1929, the proposals of this group included 119 bills, or 45 per cent of the total. In 1939 there were 125 bills, or 40 per cent. The effectiveness of this group remains the same. In 1929, 29 bills, or 40 per cent of those passed, were from the lobby. In 1939 the number of lobby bills enacted was 37, or 39 per cent of the total number which became law. As before, this category is the largest of the three.

The lobby may be roughly subdivided into four groups. The first includes regularly organized state-wide or local groups whose legislative activities are only an incident to a larger program. These organizations are generally well financed and are quite successful in securing the enactment of legislation. Thirty-six such organizations had 69 bills introduced in 1939, of which 22 became law. The second group includes local groups of lawyers, often organized into bar associations. Such agencies accounted for 15 bills of which six were passed. Less well organized is the third group whose proposals are the result of a loosely knit council, usually convened for the sole purpose of securing the passage of a law, temporarily financed, and without definite leadership. This group accounted for 39 bills introduced of which only seven became law. The fourth and final group consists of individual corporations. Only two bills were presented by this type of sponsor at the 1939 session, one by the Ohio Bell Telephone Company and one by a local building and loan association. The telephone company's bill was enacted into law.

Several of these lobby groups are quite active; for example, the Ohio State Bar Association sponsored six bills, three of which became law. The Ohio State Firemen's Association secured the enactment of all three of the bills it sponsored, and the Association of Municipal Transportation Companies scored two out of two. Both the Ohio Education Association and the Ohio Federation of Labor were successful in securing two out of five bills which they advanced. The Citizens League of Cleveland and the Ohio Chamber of Commerce each proposed five bills, the league securing no laws and the chamber one. The Prosecutors Section of the Ohio Bar Association proposed three and got one. The Ohio Safety Council advanced three and got none. Organizations which sponsored two and got one include the Ohio Medical Association and the Ohio Manufacturers Association. Those sponsoring two and getting none were the Cincinnati Auto Club, the State Building and Loan League, and the Retail Liquor Dealers Association. Those who concentrated on a single bill and were successful included the Ohio Association of Traffic Managers, the Ohio State Grange, the Ohio State Automobile Association, the Ohio Wine Growers Association, the Ohio Real Estate Board, the Ohio Hospital Association. Among those who failed to secure the enactment of the single bill which they proposed were the Fraternal Order of Eagles, the State Federation of Women's Clubs, the Isaac Walton League, the Ohio Civil Service Council, the State League of Women Voters, the Citizens Tax League of Ohio, the American Legion, the Ohio Federation of Churches, the International Order of Sleeping Car Conductors, the Typographical Union, the Ohio Truckers Association, the Veterans of Foreign Wars, the Mahoning County Grange, and the Cincinnati Stationary Engineers Association.

Bar associations were comparatively successful. The Cleveland Bar Association secured enactment of two of the five measures it proposed, but the Cincinnati Bar Association had two and lost them both. The others which were successful in securing the one which they sponsored were the Lima Bar Association, the Columbus

Bar Association, the Jefferson County Bar Association, and the East Liverpool Bar. Five others had one bill all of which lost.

BUSINESS GETS LITTLE

Business groups not formally organized which advanced proposals were not so successful, with one exception. The insurance companies proposed four and got three. The police officers were successful in securing the enactment of the single bill which they proposed as were also the oil companies, the bond dealers, and the manufacturers of rat poison. All others failed including the railroads, the road builders and the retail gasoline dealers, with three proposals each. The optometrists and the abstractors of title failed with two each while one was unsuccessfully advanced by wholesale plumbers, liquor dealers, hairdressers, justices of the peace, coal mine operators, watchmakers, retail coal dealers, race-track owners, motor-vehicle dealers, and retired national guard officers.

Generally speaking, the facts and conclusions from the present study seem to confirm the findings of 1929, if some allowance is made for the lapse of time and for certain factors external to the legislative body, such as the greater vigor of executive leadership. But many such studies are needed. Other states should be examined. The technique is not difficult. A straightforward question usually receives a straightforward answer. When it does not, a little careful investigation will usually reveal the truth. At some subsequent time the author hopes to report upon a parallel study of the Ohio House of Representatives made at the same time as this one. Further research in the work of the "most numerous house" will undoubtedly be more difficult because of the larger number of members and the larger number of bills. Such work should be undertaken by political scientists if the facts about legislation and pressure politics are to be secured.

EDITORIAL

(Continued from Page 684)

amount for research is an economy.

This last point is probably the most important, for the others lean heavily upon it. Actually, those states in which legislative councils are functioning have not provided adequately for research. In Kansas $20,000 per year is appropriated specifically for a research staff, in Kentucky $10,000. The others appropriate amounts varying from $5,000 to $25,000 to cover all expenses of the councils, and in the case of the latter amount (Connecticut) a major proportion goes for research.

There is every indication not only that the legislative council idea will continue to spread but also that the importance of full-time, permanent, well financed research staffs will be increasingly recognized.

The legislature, after all, is responsible for the basic policies of the state, so it has every right and reason to seek to overcome the confusion caused by freak ill-considered ideas, pressure groups, special pleaders, and patent panaceas. The legislative council appeals as a sharp, effective weapon, but the weapon is a mere toy unless adequate research facilities are provided.

A Taft in City Hall

By **MIRIAM ROHER**, ***National Municipal League***

Son of the 27th President of the United States, ending his first term as member of Cincinnati's P.R.—city manager council, quietly practices democracy in his home town.

AFTER almost two years of being a minority member of the proportional representation-elected city council of Cincinnati, Ohio, Charles P. Taft is going to run again. Why?

He finds the question an odd one. "Why?" he exclaims, a little puzzled, "Well, because I'm interested, interested as *any* citizen is interested in making his community a better place to live in!"

If the line of questioning were pursued, no doubt Charles P. Taft would admit that there are things which differentiate him from "any" citizen. But that his first impulse is to class himself in such a general, modest category is a curious index to the man.

He doesn't even look like "any" citizen, although his appearance is modest and pleasant. He appears younger than his forty-two years, and there is that something about his clothes and general appearance which bespeaks a background that included the Taft School, Yale, an established law practice, and an ancestry that "arrived" some time ago.

His very name carries rare distinction. Alphonso Taft, his grandfather, was Secretary of War, later Attorney General in Grant's cabinet, then Minister to Austria, and next to Russia, under President Arthur. William Howard Taft, his father, was twenty-seventh President of the United States and later Chief Justice of the Supreme Court. Robert A. Taft, his brother, is United States Senator from Ohio and a contender for the presidency in 1940.

Councilman Taft is a person of achievements in his own right, even aside from his place in the nine-member council of a city which has been called "the best governed" in the United States. That Cincinnati has been so extravagantly dubbed is due in no small part to the efforts of Mr. Taft himself and other now hallowed leaders of the city charter movement of 1924-25.

A few modest footnotes in Mr. Taft's book, *City Management: The Cincinnati Experiment,* describe some of his work in connection with those early believers in the possibility and practicability of good government. More ample records show that Charles P. Taft was with Henry Bentley and Murray Seasongood and the others from the beginning of the attempt to upset the Hynicka machine; that in 1924 he was temporarily a member of the executive committee of the nascent City Charter Committee which that year triumphantly forced through a city manager charter for Cincinnati; that he took his place on the first board of directors of the same organization when in 1925 it was formally launched; that he was president of the famous Cincinnatus Association that same year; that he has been high in the councils and support of the Charter Committee (which has kept the manager plan and P.R. intact in Cincinnati) ever since; and that when the need arose he ran for the position of and was elected county prosecutor in 1926; and finally, that when asked to serve, he became a successful City Charter Committee candidate for the city council of Cincinnati in 1937.

It goes without saying that, as Charles P. Taft puts it, there is "no love lost" between him and the local Republican party. It was the local Republican party which supplied the name and the excuse for the Hynicka machine which, until 1926, ruled Cincinnati by long-distance telephone from New York and gave it the deserved name of "worst governed city in the United States." It was the Republican-Hynicka machine which was thrown out by the efforts of Mr. Taft and his Charter Committee cohorts. It is the Republican machine, now divested of Hynicka and its former lucrative power, which has twice tried to rid itself of proportional representation by forcing popular referenda on its retention, the last one as recently as June 1939. It is the Republican machine which even now succeeds in electing four of the nine-man city council; another four, among whom Mr. Taft is numbered, being Charter Committee stalwarts. (The ninth member is an independent.)

Times Wide World

CHARLES P. TAFT

Then Mr. Taft has deserted the family fold and "gone" Democratic or worse? Not at all. In 1936 Charles P. Taft was one of the three or four top political advisers and assistants of Alfred Landon, Republican nominee for the presidency of the United States. His favorite snapshot of himself dates from that year, when he was photographed wearing a big smile and a Landon emblem. In 1936 he wrote a book called, significantly, *You and I—and Roosevelt.* And he has been on the Republican speakers list in every national campaign since 1928—not, however, in Ohio.

To Charles P. Taft this curious division of party allegiance, this levying of war on the local branch of the same party to which he devotes time, brains, and perhaps money, nationally, is neither curious nor anomalous. His reasons for so believing give the key to his entire political philosophy.

"A local organization of a national political party, primarily interested in jobs and patronage, is more of a deterrent than an asset in a national election," he says. "That doesn't include primaries, of course. A local organization is often necessary there. But once you get to the election itself, the organization is a handicap. I think Roosevelt himself realizes that in 1940 Hague, Pendergast, Kelly, and what's-his-name in Memphis will not really aid the Democrats to win—in fact they're a handicap. Events, the nature of the campaign, and the candidate himself will determine whether he wins."

Which means that Mr. Taft believes in nonpartisanship, locally?

Again, not at all. He nodded when he was shown the list of qualifications for an ideal councilman drawn up by the City Manager League of Toledo,[1] but with one item he emphatically disagreed.

"CHESTNUTS"

"There's that old chestnut 'nonpartisan,'" he grimaced. "I'm not nonpartisan and I don't think I have any right to be. Our success in Cincinnati is due to the fact that we do have a party—the City Charter Committee—to back us up and carry on from year to year. It spreads the necessary enthusiasm and generates purpose. By partisan, of course, I don't mean *nationally* partisan. National issues have no place in local politics. Our City Charter Committee is a local party only."

Nor does Mr. Taft find it necessary to divide his mind into two leak-proof categories in order to keep harmony between his national ideas and his local ideas. "The problems we discuss in council all the time are just the local side of the problems Congress is discussing—public works, relief, flood control, health, stream pollution, housing."

To Mr. Taft the words "problems we discuss in council" do not ring queerly at all. Remembering the political worthies described by Lincoln Steffens and more recently by J. T. Salter,[2] the interviewer asked Mr. Taft how much of his time goes to the "problems we discuss in council" and how much to the job of neighborhood Santa Claus which most big city officeholders are reputed to assume as a major duty.

His face took on the same surprised look as when he was asked "why" he will run for election. "Oh, sure, I get one or two people a month who want me to talk to the fire department or the police department. A few people never learn. But most of them know that neither I nor any one of the other eight councilmen can do anything for them. They simply don't ask us. Besides, councilmen always get in trouble trying to do 'favors' for everybody, you know. We're all glad that the system of noninterference with administration under the manager plan gives us an out when people do ask for favors."

He brushed the subject aside as one too unimportant to talk about.

"I spend from a day and a half to two days a week attending council committee meetings and council meetings, sometimes more when there are special hearings," he continued. "There's always an argument." He smiled reminiscently. "We don't often break up on party lines, though. Sometimes it may be a viaduct, sometimes it may be flood control or sewage disposal, sometimes it's Bingo, always it's something. We get fifty to a hundred in the audience at every regular meeting. In the old days, you know, nobody ever came."

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[1] See editorial, "Councilmen—the Key to the Situation," NATIONAL MUNICIPAL REVIEW, September 1939, p. 609.

[2] See, for instance, "A Politician: Old Style," by J. T. Salter, NATIONAL MUNICIPAL REVIEW, July 1938, p. 353.

Every member of the Cincinnati council belongs to three council committees. Mr. Taft's are welfare, sewers, and finance. With the first he is chiefly preoccupied, both from natural interest and because he is chairman. The committee considers only matters of welfare policy, and meets from time to time with groups who wish hearings on matters of general principle. The Workers' Alliance, the Union of Professional and Office Workers, and Labor's Nonpartisan League are among those who have been heard. The committee consults with the city manager and the welfare director on its findings.

Mr. Taft himself also maintains an informal complaints bureau in his own office for those individual relief clients who feel that justice has not been done them. An average of 160 a month come to see him, through his secretary, who spends about half her time interviewing them. She reports to him, and he has found it necessary to send inquiries on about two-thirds of these cases to the city manager. Mr. Taft does not deal with the welfare administration except on emergency inquiries, nor does he give any complainant any written authorization. From the time he satisfies himself that there may be some merit in a complaint, the matter is followed up through the manager, and additional action has resulted in about half the complaints referred to him.

The rent policy of the city gives Councilman Taft most concern. The welfare department allows rent to clients only when there is no employable member in the family, or in cases where there are small children and eviction is threatened by service of a court order.

"It's bad for the client's morale, and it's bad for landlords—they simply can't afford to keep up their buildings, and the apartments deteriorate miserably," he says emphatically. "And yet we can't find a solution to the question of where we're going to raise the money to finance a proper rent policy. We'd need about $200,000 more—and the state doesn't permit any special local taxes for the purpose. This is the worst part of the whole relief problem, and I don't know a single big city, outside of New York and Milwaukee, that has solved it."

PEOPLE IN TROUBLE

Mr. Taft's local interest ties in well with his national activities. This year he is chairman of the National Committee of the Community Mobilization for Human Needs, a director of the local Community Chest, vice-president of the Cincinnati YMCA, secretary of the Children's Hospital, and treasurer of the colored Industrial School of Cincinnati.

Noblesse oblige? On the face of it, yes. The Taft name and social position, combined with the philanthropic tone of Charles P. Taft's affiliations, paint a picture which would seem to be tinged with the dingy gray of sweet charity for the poor, dear masses. There is nothing to combat the impression but Charles P. Taft himself and the way he talks about his ideas and his activities. That nullifies it completely. He is in-

(Continued on Page 748)

Design for Pennsylvania Localities

By **H. F. ALDERFER**, *Executive Secretary*
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Reorganization of local governments along up-to-date, efficient lines—home rule, manager plan for counties and cities, strong merit system, improved financial procedure—must come if smaller units of government are to be preserved as part of our democratic processes.

SOME TIME ago in these pages we attempted to summarize the status of state-local relationships in Pennsylvania and to evaluate critically the trend toward centralization.[1] In that article we stated that the local units would be poorly implemented to resist modern pressure toward centralization until they adopted more modern and efficient governmental forms and administrative methods. Now, we would like to sketch a series of improvements for Pennsylvania local government which are practical, acceptable, and worthwhile. We believe that such suggestions could crystallize into direction that movement for better local government, now bubbling up sporadically, but, as the saying goes, "getting nowhere fast."

In outlining possible changes, certain principles of government must be held fundamental. What has worked well in the past should be retained. Successful habits and traditions cannot be upset for the sake of academic theory or reformist enthusiasm. Improvements should be made piecemeal. Regardless of how great their theoretical advantages, changes which are impossible because of political and other non-rational reasons should not be considered. Legislation should be drafted to allow optional choices and popular referenda on basic alterations in governmental structure. Functions now locally exercised should be continued so until demonstrated to be within the modern field of the state or national governments. Above all, the power to collect taxes should not necessarily presume to carry with it the power to spend the money. Nor should the right of one level of government to legislate for lower levels imply that it should also control their administration.

With these general principles as a guide, the important subjects should now be considered. For a number of years consolidation of local units has been brought forward as a necessary reform. The recent abolition of the poor district and the division of its powers between the state and the county have eliminated this most glaringly ineffectual unit of local government. But this required a major economic crisis and a terrific relief job. Even so, there have been political revolts against the new arrangement, but most likely it will resist major erosions.

Second-class townships have been slated for liquidation in some camps. Their most important function is the supervision of township roads. In recent years the highway department of the commonwealth had been absorbing control of these roads, but in the last legislature supervision of the township system with an outright grant of money was returned to the township supervisors. Whatever arguments may be raised for or against this step, it makes clear the comparative political influence of the officers of the fifteen hundred second-class townships against all comers.

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[1] H. F. Alderfer, "Centralization in Pennsylvania," NATIONAL MUNICIPAL REVIEW, April 1938, pp. 189-196.

If, however, the second-class township is to remain a permanent and integral part of Pennsylvania local government, its number should be reduced to five hundred so that it may remain an effectual area of administration. In many of the forest counties there are sparsely settled townships in which per capita costs of schools, roads, and elections are exorbitantly high. Either these townships should be consolidated with adjoining units by mandatory legislation when there is a population per square mile below a certain figure fixed by law; or the county should retire their land from residential and farming uses after abandonment under regular zoning procedures made possible by the 1937 legislature, gradually evacuating these townships from activity, and redistributing inhabited areas to other townships.

Because of the large amount of delinquent taxes on marginal and submarginal lands, the county is in a good position to initiate and carry out a policy for such reorganization of rural government. Most definitely, it is the county rather than the state that should care for the government of these waste areas.

There has been much talk about the consolidation of rural fourth-class school districts into county units for purposes of administration. Better, but not cheaper, public school education would result in these communities. If this would be evolved on the basis of local option, it would prove agreeable to all concerned. Mandatory legislation, however, would add to the chaos that now exists in school finance throughout the commonwealth.

CITY-COUNTY CONSOLIDATION

Consolidation in the metropolitan areas of Philadelphia and Pittsburgh has long been before the public eye, and proposals for accomplishing this are now in various stages of progress or desuetude. The city and county of Philadelphia, nominally united since 1854, are due for a more modern consolidation of offices if lasting improvement is to be made in the Philadelphia local government confusion.

The metropolitan plan for greater Pittsburgh, which has had a thorough tossing about for the past ten years, has not yet materialized, largely on account of the opposition of local units in the county of Allegheny which were to be merged with Pittsburgh in a federated plan of government. Closer governmental unity of this metropolitan region is certainly in order. Perhaps piecemeal and voluntary coöperation in certain functions should be undertaken for the sake of developing coöperative habits before any drastic changes are made. This might easily be accomplished in certain specific fields of police, fire, traffic, planning, street, and health administration without undermining the independence of the local units.

As far as consolidation of counties is concerned, there is little use worrying about the possibilities. This is not only politically impossible but there is no real evidence that any savings would be accomplished. All except a few counties are large enough to be administered effectively and in exceptional cases coöperation of contiguous counties could be explored. Consolidation and annexation laws for other local units are already adequately provided if the units concerned voluntarily undertake such procedures.

STRUCTURAL IMPROVEMENTS

All common varieties of governmental structure appear in Pennsylvania local units. The three largest cities, Philadelphia, Pittsburgh, and Scranton, have strong mayor governments. The forty-six third-class cities operate under the commission plan, while boroughs have strong councils and weak executives. First- and second-class townships are governed by boards of commissioners and supervisors respectively without elected executives. The county has a board of three commissioners and more than a dozen elected officers who are in complete charge of their offices. These forms have shown the defects common to their species but have proved adequate to conditions in the past. Generally speaking, they are of sufficient basic soundness for present conditions if two major improvements are made.

The first is a legislative grant of power for all cities to install city manager government if the people of the community vote in favor of it. Such power has been established by constitutional amendment which, however, has never been implemented by an enabling act of the legislature. Boroughs and first-class townships are already empowered to establish by ordinance the office of manager, but such power might also be given to the electors. School districts operate now on the basis of a board of directors and a superintendent of schools. There is no need to grant this power to second-class townships. Proportional representation, whatever its merits or demerits, should not be tied to the manager plan but should be considered as a separate proposal.

The second improvement necessary is the reorganization of the internal structure of county government. Extreme decentralization is the theme of the present set-up. The county is now and should be the dominant unit of government in rural areas. If it is to keep its present functions, to absorb those that may be lost by townships, and to receive new ones definitely local in nature, it must modernize its machinery or the state will continue its invasions. What is needed is an elective board of county commissioners and a controller, the former with power to appoint all the administrative officers who are now elected. The county commissioners should be comparable in power to the commission in cities of the third class. This body with the county controller should exercise all the financial powers of the county and provisions should be adopted so that both commission and voters could establish the position of county manager.

IMPROVED PERSONNEL

Toning up of their personnel systems rates high in the needs of Pennylvania local governments. While cities are provided with civil service commissions, personnel practices leave much to be desired. The laws governing the systems in the larger cities are standard in form, but those applying to cities of the third class lack the scope and intent common to most laws. Civil service commissioners have not shown great enthusiasm in developing modern personnel practices even when the laws are carried out according to letter. In third-class cities, commissioners are without compensation and spend little time at their jobs while secretaries to the commission are in most cases ex-officio. Political and personal factors still operate too powerfully in the choice, promotion, and retirement of personnel. None of the other local units has civil service provisions. Laws covering the whole host of borough, township, and county employees that constitute the backbone of local government should be enacted with provision for administration applicable to small units. Two methods to supply the average local unit with up-to-date practices and procedures, leaving the choice of the personnel to local appointing powers, suggest themselves. One is to establish a state-wide civil service commission in the Department of Internal Affairs; the other for the leagues of municipalities to undertake this service. At present, neither agency is equipped to do this.

The most heartening recent development in the field of personnel has been the programs of in-service training for local officers. In Pennsylvania, schools for police and firemen have already been organized; they should be set up for all types of municipal officers. Under the federal George-Deen appropriation through the State Department of Public Instruction, real progress is now possible. Colleges and universities, along with other semi-public agencies, are alive to the problem and have been coöperating in sponsoring meetings, issuing bulletins, developing correspondence courses, and conducting research for various organizations of local officials. As has been aptly said, in-service training has breathed life into the dead bones of civil service. It remains the greatest hope for better local government today.

THE FIELD OF FINANCE

Finance, as always, is the heart of public administration and of the greatest interest to the taxpayer. It is in this field that there are many grave defects. Local governments in Pennsylvania rely too much upon the general property tax. The great amount of tax delinquency is witness to this. By subsidies and by taking over certain services the state has lent a helping hand in schools, highway finance, and relief. But school districts continue to claim top millages while highways lay heavy toll on the local tax dollar. The largest share of state highway appropriations has been spent on non-urban roads. Cities have remained responsible for a great majority of street mileage without sufficient help from the gasoline and motor vehicle taxes.

Two important improvements suggest themselves in the distribution of taxes. One is increased grants from highway-user taxes to cities, boroughs, and first-class townships, and the imposition of an income tax for school purposes. This would give real estate much needed relief and allow municipalities to expand their other functions according to need.

Local governments in Pennsylvania have still great distances to travel to the ideal of modern financial procedure. Laws, establishing mandatory budgets and annual reports for all local units on forms prescribed by the State Department of Internal Affairs, have in the main worked beneficially. Many units have adopted better accounting systems, but still a large number use these prescribed forms only as state reports, falling back on their own systems for the practical purposes of running their municipalities. This not only nullifies the intent of the legislation but casts some shadow of doubt over the possibility of effectual state supervision. These laws will remain in effect, however, and, if intelligent administration of them continues, will be a wedge in the advance toward sound financial administration.

The system for the assessment of real property for local taxation is a shambles. While a number of cities and a few larger counties have adopted "scientific" systems of assessment, most units have their property assessed by rule of thumb. Even in third-class counties where legislation established a county-wide unit assessment under a board of assessment and revision of taxes appointed by the county commissioners, progress has been slow. For the most part assessors are still elected or appointed without qualification and serious inequities persist.

ASSESSMENT PROCEDURE

In order to strengthen the assessment procedure, a county-wide system as is established in third-class counties has been brought forward as the remedy, but there are two qualifications which must be made to that. The majority of the five third-class counties which now operate under the county-wide system of assessments with appointed assessors have not materially improved their assessment systems. Then, too, the county commissioners in the fourth- to eighth-class counties have more power in making their assessments uniform and equitable than they now use. More important in the picture are adequate assessment manuals, assessors schools, and the development of improved techniques.

As long as the county is what it is today, the added power that might come from a county-wide system of assessments could prove harmful. While it is true that assessors should be appointed rather than elected, provided merit rather than politics is the guiding factor, we believe that election is better than appointment when the appointing officers are politically inclined. Likewise, whether appointed or elected, assessors might well be chosen from the assessment division rather than from the outside. Right or wrong, most citizens resent assessment of property by outsiders.

In the field of tax collection, legislation has been introduced during the past few sessions to eliminate the elected tax collector and make a county-wide unit of tax collection under the county treasurer. All these efforts have been defeated and it is not likely that such a system will come to Pennsylvania in the near future. Reforms in the tax collection procedure, however, must be made. Instead of centralizing the tax collection in the hands of the county treasurer (who is an elected officer usually deep in politics) it might be well to do what has been done in cities of the third class where the city treasurer has been made collector for all local taxes within the area. This might well be encouraged in boroughs and first-class townships.

Likewise, the fee system for compensating tax collectors should have a thorough overhauling with the idea of making the position a salaried one where the tax collections exceed a certain figure. Tax collectors also should be made to operate their business more uniformly. A recent development has been the law requiring them to make annual reports to the Department of Internal Affairs. But annual reports without advice, supervision, and more detailed legal regulations are a waste of time and effort.

Auditing, accounting, cost accounting, purchasing, and reporting are all fields in which progress must be made through education and training of those who hold offices and positions responsible for this work. Under present conditions little help can be expected from state departments. From some quarter must come help in making up uniform manuals and practices in these various fields. Whether the leagues of cities, boroughs, or townships, or the colleges and universities, or taxpayers groups, or all three step into the breach, this important work must be carried on.

Proposals have been made to change the constitutional and statutory provisions on indebtedness in order to make the limitation more flexible and adjustable to conditions. While there is a high rate of indebtedness within the local units of the state, defaults in Pennsylvania have been few and far between. But a great amount of money is owing and needs for additional capital for improvements are on the increase. New limitations, wise as they may be, will not alter the debt situation, because they will not bring down the percentage of the tax dollar that goes for present debt service.

LINE FUNCTIONS

This bird's-eye view of Pennsylvania local government will not allow detailed inquiries into each line function of local government. Moreover, there is no uniform pattern of accomplishment throughout the state. Much depends upon the personnel in charge of the program, the desires and demands of the community, and the background of the particular function. It might be said that, in the branches of administration that utilize mechanized equipment, the greatest accomplishment toward modernization has been achieved. This is due largely to activities of industry and business marketing these products, and is most obvious in equipment in the fields of fire fighting, police radio, street construction, transportation, and public works.

Likewise, those functions which are continually in the public eye or are potentially newspaper issues by way of involving direct services to the people, are usually more highly developed than those which have no direct public news value. The important problem is not so much the supplying of necessary services to the people as it is the administration of them with order and effectiveness. The fundamental need is to bolster the staff functions so that the line functions may be brought up to a higher efficiency.

To suggest a program for the allocation of new functions and the reallocation of old ones or parts of old ones is exceedingly difficult. Local governments, as a rule, do not welcome new duties and responsibilities, especially in the light of depleted budgets. Nor are their officials inclined to look around for more work than already devolves upon them. This is one of the reasons why the state and national governments are in an advantageous position in the distribution of newer functions. The lack of interest on the part of local authorities in newer fields such as planning, housing, and welfare has succeeded in pushing such activities into higher levels of government where departments often appear to seek new activities.

Probably this problem can be solved only by gradual experimentation and adjustment. Methods of conference, legislation, and regulation, involving as they do the incomplete knowledge of men, have not shown success in making order out of chaos. Whatever opinions be on the righteousness of home rule, it is a reality that state and national governments are playing a dominating hand in new activities whether or not these activities are inherently local in character.

REALLOCATION OF FUNCTIONS

Even more complex is the reallocation of old functions, which have, for one reason or another, been brought into the limelight as needing improved or more uniform administration. State agencies have already taken over certain parts of police, highway, education, health, and welfare activities. Various forces give impetus to this trend. One is the ability of the higher levels of government to finance more adequately newer developments. Armed with legislative, taxing, and appropriation powers, control of administration follows. The state and the national governments have an active and unified policy in regard to the newer functions of government. It is a sad commentary on affairs that the great majority of career government administrators, researchers, and technicians are in the higher levels of government. These are the ones who, behind the scenes, implement the dynamic policy with knowledge and methods.

If it should happen that the smaller

units of government, as the township, should lose such functions as assessment, tax collection, the administration of justice, and others, it may not even be the county that will absorb them, for the same conditions of administration apply there. It may be the state which will finally assume control even though maintaining local headquarters in local jurisdictions. It needs repeating again and again that counties in Pennsylvania are the crux of the whole situation. If they are not reorganized and modernized, they will surely lose a golden opportunity to keep intact home rule and local independence.

AGENCIES FOR IMPROVEMENT

The most pathetic fact about Pennsylvania local government is that there has been no capable agency responsible for its continuous development and evolution. The General Assembly, by its almost absolute right to legislate, is its legal guide and mentor, but the very nature of this body renders such service impossible. Every session of the legislature sees innumerable bills concerning local government introduced and the results in terms of approved legislation have been disheartening not only from the viewpoint of local government but from that of a desperate champion of the democratic process. The committees considering the legislation have never exhibited a thorough knowledge or a broad interest in local government nor have they attempted to utilize consistently the agencies and groups best informed. True, public hearings are often held, but detailed study and long range planning are practically absent. Highly organized and vocal minority groups influence results far out of proportion to their real interest. Local officials are rarely brought in for their experience and guidance. In short, legislation on local government has always been haphazard even at its best.

Realizing the deficiency of this method, the legislature set up a local government commission which operated for two legislative terms. While this was a start in the right direction, it was not too successful. The commission had a small appropriation and was forced to lean upon the services of the staff of an outside agency. There are now two permanent legislative commissions on state and local government. Friends of local government in Pennsylvania fervently hope that they will live up to their great opportunities and responsibilities.

As the legislature has been derelict in regard to local legislation, the state administration has no better record in spite of the fact that more duties are devolving upon a number of its departments. There is little evidence of a sound knowledge and understanding of local administration. Naturally, none of these departments has attempted to develop a program for local government as a whole, this being alien to their legislative mandates.

Each of the statutory groups of local units has its own association. Thus, there is the League of Cities of the Third Class, the Boroughs Association, the Association of County

Commissioners, the Association of First Class Townships, and Township Supervisors Association. In addition, there are a large number of associations of specific classes of officers such as the sheriffs, magistrates, tax collectors, and a host of others. In the past there has been little or no unity of action among these units until the formation of the Conference of Allied Local Government Officials. The union has been in existence for two legislative terms and has been primarily interested in preserving home rule by legislative means. The crying need for Pennsylvania with its twenty-six hundred local units is an active union of all these local associations with a permanent staff and headquarters working year round in the interest of municipalities. Such an organization could act as a clearing house for technical information, plan a long range legislative policy and serve the local officers in a hundred ways.

FERTILE FIELD FOR RESEARCH

Every field in local government and administration in Pennsylvania beckons the research worker. The sky still is the limit; there is room for all agencies who have the welfare of the local units at heart. Most of the research done so far has been of an analytical and descriptive nature. It provided a background for ameliorative legislation if properly used. But it has been of little use to the local officer pressed by immediate problems of office. What is needed is a compilation of manuals which will aid and guide officials in the administration of their work. Especially would they be welcomed by incoming officers and employees who are taken from the ranks without any previous knowledge of public business. Most of the research now available has been done by one well organized taxpayers' agency, four institutions of higher learning, and an occasional study by some public or semi-public organization. No one has yet laid down a broad program for such research in Pennsylvania. In the near future, interested agencies should join coöperatively in making an inventory of what should be done.

At the present moment, there is less organized citizen interest directing its attention to improved local government than at any time within the last twenty-five years. There are few active citizen groups alive to present problems on a state-wide basis. As a result, legislation involving fundamental changes in local government is practically at a standstill and there is little immediate hope for the future. Even so obvious a need as the reorganization of Philadelphia's city government fell by the legislative wayside during the last session of the General Assembly in spite of the efforts of many city organizations and civic-minded individuals. Naturally, without continuous demand those entrusted with the making of laws refuse to go out of their way in changing the status quo. The citizens of Pennsylvania have dealt themselves out of the game of local government in spite of their tremendous past, present, and future interests. It remains for the three levels of government then to fight for its control with a few organizations of influential taxpayers "kibitzing" over their shoulders. It takes no master mind to foretell the result.

It is a fact that the average student going through public school and college knows a great deal more about the national government than he does about local government in his home community. Educators are prone to spend more time on the glittering generalities of national life than on the cold and specific facts of local government. The price that we pay is ignorance of those things which are nearest to our own interests. Recently, however, the direction has changed slightly and perhaps the educational movement back to an interest in local units will bear real fruit before it is too late.

One of the more hopeful aspects has been that a number of educational institutions in the commonwealth have embarked upon a program for training young men and women for public service. But so far most of these graduates have landed in state and national services. Only rarely, and then in the large metropolitan units, is it possible to place any such young hopefuls in local governments. In some way or other, local units in Pennsylvania must welcome not only new machinery and methods, but also new blood. If this does not come about, it means another step in their decline.

IS THERE ANY HOPE?

Is there any hope for the improvement of Pennsylvania local government? It would be easy to answer in the affirmative and allay fears to the contrary, but there are deep problems involved, deeper than any of the factors that appear on the surface of logic and reason. With our educational investment, with radio and print at everyone's beck and call every minute of the day, with men of brains, experience, and knowledge available, all material resources for improvement are at hand.

It is alarming to note that there has been scarcely any improvement in Pennsylvania local government since the World War—at least not enough to offset its vastly increased responsibilities and problems. Municipalities generally have lost that confidence which is brought by a balanced budget. Many municipalities are now faced by a need for expensive public works but must depend upon the state or national government for financial aid. Possibly we are reaching the point where the original institutions lose their power of elasticity and adjustment. Perhaps our municipal institutions, as a part of our larger cultural equipment, have played out their powers of growth. At least the future does not look encouraging.

But we know what we must do. We have the means at our disposal. All agencies must bend their efforts to preserve our local units and make them work. Government—state, national, and local—associations of local officers, educational institutions, citizen groups—all must play their part. Only by courage and action can the orderly process of democracy continue through this cloudy period of our history. The price we must pay is vigilance—and sound administration.

Thrift via County Consolidation

By **H. F. SCOVILLE**, *Director,*
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A resumé of functional and departmental consolidations, and of cooperative agreements between counties, in California.

LEGAL restrictions continue to play a large part in the efforts of California counties to integrate their governments and to make the structural changes required by changing social need. Ten of California's counties operate under charters; the other forty-eight are governed entirely by statute. The chartered counties have considerably more freedom in effecting integration than do the code-governed counties.

Changes that have been made recently, largely in departmental consolidations, have been engendered by economic necessity, rather than by a desire for structural reorganization. The tremendous increase in expenditures for charities has forced the governing boards to attempt various combinations of services to reduce expenditures for general county government. What further changes would be made, if the counties had the power, is, of course, conjectural.

The move for consolidation of county functions received an impetus during the depression years beginning in 1930; it has continued because of the accelerated charity load. Although some consolidations have always existed, the increase in consolidations may be laid primarily to the desires of boards of supervisors to keep the tax rate as low as possible.

The tax-raising power of the various counties covers a wide range, from the sparsely settled mountainous counties to the industrialized county with two and one-half million population. Generally they might be grouped in three classes: (1) The heavily populated counties, as Los Angeles, San Francisco, and Alameda; (2) the "in-between" counties, with agriculture and industry, as Santa Barbara and Monterey; (3) the mountainous counties, as Alpine and Mono.

Naturally, the opportunity for and the necessity of consolidation and integration varies with the type of county.

Since the organization of the city-county of San Francisco, there has been no major change in county structure in California. The perennial discussion of major changes in Los Angeles County was recently revived by two resolutions introduced in the Los Angeles city council. One resolution called for separation, the other for the development of a borough system. At this time it is not possible to predict what plan, if any, may be offered to the voters for consideration.

For the past fifteen or twenty years there have been recurring movements in Los Angeles for city-county consolidation or for separation of the city of Los Angeles from the remainder of the county. Studies have been made by various groups, official and unofficial, none of whom recommended separation. All of these groups have recommended some plan of consolidation of the governments or of their functions.

No other proposals for consolidation of counties in the state are under consideration at present.

NO CHARTER CHANGES

During the last year no basic changes in chartered organization for counties took place in California. Los Angeles County led the way in internal organization by establishing the office of chief administrative officer, who at present is operating successfully under ordinance provisions. Members of the board of supervisors have indicated that in the event this plan of organization continues its success, the county executive or county manager plan will be submitted to the voters for a charter amendment.

San Bernardino County reports that a flood control district was recently formed to protect that county from the ravages of flood waters and to conserve water resources.

The functions of the state and the counties are drawn distinctly in California and no major changes were made during the last session of the legisla[illegible]. Several proposals were introdu[illegible] in the legislature during the 19[illegible]on, but none of these received favorable action. Changes suggested were concerned chiefly with charities, the most significant being the proposal to turn the unemployment load over to the counties.

San Bernardino County reports that it has recently extended its county service by the employment of a predatory animal control officer who has no connection with the state's division of fish and game. The county of Los Angeles is considering the possibility of transferring the functions formerly carried on by its rehabilitation department to the state.

During the last year there were some consolidations of county functions within the counties. Among these were the consolidation of the county surveyor with the road department in Riverside County, the purchasing agent with the county clerk in Marin County, the highway commissioner with the county surveyor in San Bernardino County, and the county coroner with the public administrator in San Luis Obispo County. Santa Barbara County reports that the supervision of county parks has been placed under the direction of the board of supervisors, with each supervisor in charge of the parks in his respective district.

Los Angeles County has undergone some major changes in county departments, wherein the labor coördinating bureau was abolished and part of its functions transferred to the civil service commission; the rehabilitation department has been discontinued and consolidated with the charities department; the department of budget and research has become the bureau of administrative research attached to the office of the county administrator.

DEPARTMENTS CONSOLIDATED

Throughout the state there exists a number of consolidations of county functions, tending to eliminate the number of county departments. Forty-four of the state's fifty-eight counties report that the offices of coroner and public administrator have been combined under one head. The fiscal offices have proved to be the next most important numerically in consolidations: nine counties have combined the treasurer and tax collector; three counties, the assessor and tax collector; five counties, the sheriff and tax collector; five counties, the clerk, auditor, and recorder; three counties, the clerk and recorder; two counties, the recorder and treasurer; three counties, the auditor and recorder; five counties, the clerk and auditor; and one county has combined the county clerk, the clerk of the Superior Court, and the purchasing agent. In three counties the sheriff and coroner have been combined and in two counties the engineer has been combined with the surveyor.

Other combinations of departments of which we have record of only one in each instance follow: public welfare and probation, public welfare and sealer of weights and measures, treasurer and public administrator, agricultural commissioner and sealer of weights and measures, district attorney and coroner, district attorney and public administrator, sheriff and public administrator, superintendent of the hospital and health officer, forester and road commissioner, highway commissioner and surveyor, purchasing agent and county statistician, regional planning and building departments, crossing guards and sheriff, health officer and poundmaster, purchasing agent and chief administrative officer, forester and fire warden, fish and game warden, and parks and recreation.

On the other side of the picture there have been a few separations of functions. In El Dorado County the former combination of sheriff and tax collector has been abolished and two offices have been established. In Mono County the recorder was separated from the combined offices of clerk, auditor, and recorder. In Ventura County a road commissioner has been established, thus relieving the surveyor of some of his duties. Sierra County reports the establishment of a County Welfare Department.

The operation of tuberculosis sanatoriums has been the type of service most frequently carried on jointly by two or more counties. Placer County and twelve other counties operate jointly the tuberculosis hospital at Weimar. Calaveras and San Joaquin Counties operate the Bret Harte Sanatorium at Murphys, and Kings and Tulare Counties also operate a joint sanatorium. One tri-county joint operation of a tuberculosis sanatorium is carried on by Madera, Merced, and Stanislaus Counties.

Other coöperative arrangements include the operation of a ferry by Butte and Glenn Counties, an employment office by Mono and Inyo Counties, the employment of a public health nurse by Mono and Alpine Counties, and the operation of a joint county hospital and a joint union high school by Plumas and Sierra Counties.

Two counties report that they utilize the services of another county upon a cost basis. Mariposa County hospitalizes its indigents in Merced County, and prisoners of Mendocino County, who are committed for more than thirty days, are sent to the Sonoma County jail.

COUNTIES AS TAX COLLECTORS

The California system is to use special districts to perform special services, with the county supervising the work but with the taxpayers of each district paying for the cost of the service. That this is not universally true is shown by the fact that fourteen counties report that they do tax collecting for municipalities; eleven counties perform health service for cities; seven counties do assessing for municipalities; and two counties rent their jails to cities, maintain the roads of cities, or give library service to cities within the county. Other instances of county service extended to municipalities include the giving of civil service examinations, building inspection, and the furnishing of life guards. In one instance it was reported that a county treasurer acts as a city treasurer for the county seat city.

Some of the counties report that some functional rearrangements are now under consideration. These include: Napa County, establishment of a full time health program; Plumas County, combination of the office of treasurer and tax collector; Plumas County, road administration to be taken from the supervisors and placed under a road commissioner; San Luis Obispo County, combination of purchasing agent and county statistician; San Mateo County, establishment of a county utilities district; Los Angeles County, incorporation of the office of chief administrative officer in the charter.

A summary of the movement for integration and consolidation in California counties during the last year follows:

Basic changes in county organization	2
Consolidations of county functions	9
Total of existing consolidations of functions	101
Separations of county functions	4
Coöperative arrangements between counties	8
Operation of services for other counties	2
County services performed by counties for cities	42
Changes under consideration	7

Although the initial impetus for further consolidation of county functions may have arisen from the depression, it is now evident that it will continue because of the study and the efforts of groups interested in good government. What the final result will be is, of course, in the hands of the electorate.

Akron's New Merit System: Case History

By **ROY V. SHERMAN**
University of Akron

Strengthening of personnel provisions brings new lifeblood to municipal civil service; public opinion awakening to value of merit system.

IN NOVEMBER 1937, the home rule charter of the city of Akron was amended to strengthen the merit system. The main objectives of the amendment were to increase the independence of the Civil Service Commission, to provide for an expert to administer the merit system, and to specifically provide more complete personnel procedure and techniques.

Before the amendment the merit system was in the hands of three civil service commissioners appointed by the Mayor for six-year overlapping terms. Since, however, the Mayor could and did control the commission by dismissal of members of the board or by appointment to more lucrative positions, there was a desire on the part of those who supported the merit system to make the commission more independent of the city's chief executive.

The amendment therefore limited the appointing power of the Mayor by restricting his choice to three nominees made by an independent nominating committee. This committee consists of the president of Akron University, the superintendent of schools of the city of Akron, and the presiding judge of the Common Pleas Court of Summit County. The Mayor must with the approval of council appoint one of these nominees to fill a vacancy. In case of more than one vacancy the nominating committee submits a separate list of three to fill each. There is no provision for a deadlock between the Mayor and the council. Since the nominating committee includes three prominent persons well acquainted with the community and representing three important institutions of the community, however, serious difficulties probably will not be encountered.

An attempt is made to divorce the commission from politics by providing that no member shall hold any other public office or public employment and no member shall be a candidate for any elective public office. Except as a general statement of policy which might be amplified by public opinion, these restrictions amount to little. There is nothing to prevent a commissioner using his office for political capital and then resigning when he files his petition for an elective office. Furthermore, there is nothing to prevent a commissioner from taking an active part in a political campaign even for a candidate for Mayor.

The amendment makes it more difficult for the Mayor to control the commission by removing the commissioners. It is specifically provided that the mayor may "remove any commissioner for inefficiency, neglect of duty, or malfeasance in office . . . after a public hearing before council . . . ; provided that two-thirds of the members of council concur."

Under the provisions of this amendment the old Civil Service Commission continued in office. The term of one member expired January 1, 1938. The nominating committee included the retiring commissioner in the list of three, even though he had actively participated in the campaign for the successful candidate for Mayor. He was promptly reappointed. In spite of this fact, the commission has functioned very satisfactorily during its first year under the amendment.

DIRECTOR CHOSEN BY MERIT

The first action of the Civil Service Commission was to select a personnel director in accordance with the provisions of the amendment. Applications were received from all over the country. These were weeded down to about a half dozen candidates, both local and non-resident. These candidates were called in for personal interviews before the commission and a few citizens who were particularly interested in the success of the merit system. The successful candidate was Charles F. Bassett, personnel director at Flint, Michigan. He assumed his duties February 1, 1938, under a one-year contract. The half-time clerk and stenographer of the old commission continued as the full-time personnel clerk. Examinations were given for the position of junior personnel examiner. His appointment completed the department's staff.

The budget at the disposal of the personnel director is fixed at a minimum of seven dollars per employee in the service of the city. For 1938 this amounted to about $9,800.

The jurisdiction of the personnel department extends to all employees of the city except officers elected by the people, the directors of the departments of public service, finance, and law, the members of all appointed boards and commissions, and the secretary to the Mayor.

Immediately upon the inauguration of the amendment, questions arose as to who were city employees. Did such term include the teaching and administrative staff of the municipal university? Did it include the employees of the Health Department? Did it include the employees of the Municipal Court?

The original section of the charter specifically exempted the staff of the University of Akron from the merit system. The amendment included no mention of its employees. In order to settle the question the Civil Service Commission brought suit in the Common Pleas Court for a declaratory judgment. The defense for the directors of the university pointed out conflicts with state law, inconsistencies in the city charter amendment, and conflict with the trust agreement.

The state law governing municipal universities provides that the control of such a university "shall be vested in and exercised by a board of directors consisting of nine electors of the municipal corporation" appointed by the Mayor (*General Code* 4001); and that they "shall serve without compensation and shall have all the powers and perform all the duties conferred or required by law in the government of such university, and the execution of any trust with respect thereto upon the municipal corporation" (*General Code* 4003). The law further provides that the directors shall appoint the president, secretary, professors, tutors, instructors, agents, and servants of the university and fix their compensation (*General Code* 7902).

These provisions of the law were in effect at the time the city of Akron adopted its home rule charter. In regard to the university the charter followed the state law by providing that "the government, conduct, and control of the municipal university shall be vested in and exercised by a board of directors consisting of nine electors of the municipal corporation. The board shall have all the powers and duties now or hereafter provided for by the state law" (*Charter of the City of Akron, Ohio,* Sections 98-99).

UNIVERSITY EMPLOYEES EXCLUDED

Certain absurdities which would arise if the amendment were to apply to the university were also pointed out by counsel. Since the president of the university is a member of the nominating commission for members of the Civil Service Commission, he would have some voice in the selection of the commission and at the same time be subject to it. Furthermore, no person is eligible for appointment to any position under the classified service unless he has been a resident of the city of Akron for one year. Such a restriction would make it impossible to maintain the faculty of a university.

After examining these facts the court concluded that "the municipal university is governed by the general law of Ohio through a Board of Directors appointed by the Mayor, and that this Board of Directors is vested with full power to control and manage the University of Akron, and an examination of the several provisions of the amendments to the charter providing for civil service further persuades the court to the conclusion that it was not the intention of the civil service amendment to be applicable to the employees and faculty of the University of Akron."[1]

The court went on to say that the state legislature might provide that certain employees could be made subject to the rules and regulations of civil service in Akron. But the state civil service law specifically states that "such employees as are engaged in educational or research duties connected with colleges and universities" (*General Code* 486-8) are in the unclassified service.

The Board of Directors of the university also contended that the city of Akron had no power to impose civil service provisions on the university because it would be a violation of the trust agreement with Buchtel College. One of the provisions of this agreement was "That the government of the institution shall be under the control of a separate Board of Trustees to be chosen and perpetuated by municipal authority in such manner as may be now or hereafter provided by law, with a provision, however, if the law permit, that fitting representation on the Board of Trustees is assured to the alumni." It was contended that the city of Akron through its electors or the city council could not change these conditions in any particular. Citing *Dartmouth College vs. Woodward,* the court agreed with this contention.

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[1] *Aldrich B. Underwood et al. vs. John W. Thomas, Court of Common Pleas* No. 124439.

The case was appealed to the District Court of Appeals, which affirmed the decision of the Common Pleas Court. This was considered sufficient to settle the matter.[2]

A suit was also brought by the Civil Service Commission against the Municipal Court to force its employees under the provisions of the civil service amendment. The issue involved was the conflict of a special state law creating the Municipal Court of Akron and the provisions of the Akron charter. The special law provided that "the chief deputy clerk, cashiers, deputy clerks, stenographers, the bailiff, the bailiff's clerk, and all deputy bailiffs shall hold their office during the pleasure of the appointing power" (*General Code* 1579-542). This is in direct conflict with the charter which would include them in the classified service.

The Common Pleas Court decided the case in favor of the home rule charter. The case was appealed and the decision reversed. The Appellate Court held that since the state law was a valid exercise of the state legislative power, it must take precedence over the provisions of the municipal charter. Citing previous decisions on the principle, the Appellate Court stated that "if the legislature in the exercise of its constitutional power to enact general or special laws has legislated, the municipality cannot nullify such legislation."[3]

The question of the application of the charter amendment to the employees of the Health Department was originally decided on the strength of an opinion of the Attorney General of the state. The Attorney General ruled that an employee of the Health Department was not a municipal employee but an employee of the Health District of Akron which made him ineligible as a trustee of the municipal employees' retirement system.

Several months later certain of the employees of the Health Department brought suit against the Civil Service Commission to be included in the merit system. The court held that the state law on health took precedence over the city charter. Since there was a conflict with the state law it was ruled that the charter could not extend the merit system to the employees of the Health Department.

NEW CLASSIFICATIONS

Most of the work of the personnel director since his inauguration has been to classify the positions under the jurisdiction of the Civil Service Commission and to give examinations for the positions which were not blanketed in the service. The classification was completed and adopted by the commission about the first of this year.

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[2] *Underwood et al vs. Thomas et al, Court of Appeals, Ninth Judicial District No. 3069.* Jl. 25, 1938.

[3] *Aldrich B. Underwood et al versus Donovan D. Isham, Judge of Municipal Court et al, Ninth Judicial District No. 3112.* Jan. 23, 1939.

All of the employees under the jurisdiction of the Civil Service Commission were classified into six services—clerical, administrative and fiscal; engineering and allied; police and fire; skilled workers and labor; operating; maintenance and custodial—66 series, and 221 classifications.

A detailed analysis of the minimum educational requirements is shown in the following figures. The engineering and allied services have the highest educational requirements with 77 per cent of the classes requiring university training and all requiring at least graduation from high school. The clerical, administrative, and fiscal service stands next with 98 per cent of the classes requiring at least high school training. Eighty-seven per cent of the police and fire service classes require at least graduation from high school. This would be higher were it not for the fact that certain positions that could be filled by others are filled by policemen and firemen. Ninety-four per cent of the classes with educational requirements below high school are in the labor, operating, and maintenance and custodial services; while 85 per cent of the classes requiring more than high school are found in the clerical, administrative and fiscal, and engineering and allied services.

In many of the classifications a higher education is stated as preferable. In fact, if one is to have much of an opportunity for promotion, he must have a higher education than the minimum in order to be selected.

From the point of view of a social science professor it is gratifying to note that several classes require courses in administration, sociology, economics, business administration, and allied subjects. With a municipal university in the city such requirements can easily be met by any competent person desiring to secure such positions.

Placing under the merit system those employees who had been in the civil service less than three years has been one of the major tasks of the personnel department. At the time this work was surveyed, with the task practically complete, twenty-eight examinations for twenty-nine classifications involving 164 positions had been given. Twenty-eight per cent of the incumbents failed the examination; 8 per cent were too low on the eligible list to be certified. Thus in all, 36 per cent of the incumbents failed to keep their jobs. Some 44 per cent of these, however, were reduced to common labor or other positions for which they could qualify.

MONEY SAVED

One rather interesting fact about the fifty-nine positions whose incumbents lost their jobs was that the administration left one-third of them vacant. The salaries of these nineteen positions amounted to $29,800. The entire cost of the personnel office is only $9,000.

The Probst system of rating employees has just been introduced for the entire civil service under the merit system. It is too early to draw onclusions but first results indicate hat it will make considerable imrovement in the morale and efficincy of employees.

Probably the most serious clash etween the Civil Service Commision and the administration occurred hen this year's salary ordinance ame before city council. The ordiance completely ignored position lassification. In several instances ore was paid for positions in lower rades that those in higher grades. position of acting detective was reated which did not exist in the lassification made by the Civil Serice Commission. The personnel irector appeared before the council nd warned it that he considered the rdinance illegal and threatened to top the payroll. Later a joint meetng was held between representatives f the council and the commission nd an understanding seemed to have been reached. However, council has stalled all summer. By exercising extreme patience it is probable that a compromise will soon be reached which will recognize the salary classification. The personnel director is now drafting rules and regulations for administering the classification which supposedly will be accepted by council. It is expected that this matter will be settled without court action before the next budget comes up for discussion this fall.

If the Civil Service Commission makes a satisfactory settlement of this controversy, merit in Akron municipal service will have made its greatest advance in the history of the city. Public opinion appears to be awakening gradually to the value of a merit system. Those who support higher standards in public service are optimistic for the future.

Manager Plan in a New England Town

By **MARGARET LIPPIATT**, *Yale University*

After eighteen years of manager government, Stratford, Connecticut, finds itself satisfied with conduct of municipal affairs on business basis; reduced debt load eases tax burden.

STRATFORD, CONNECTICUT, celebrates this year its three hundredth birthday. The year 1939 marks also the eighteenth anniversary of Stratford's change from the nearly three-century-old town-meeting form of government to a modern council-manager system.

The change in 1921 from traditional methods came about partly because government by a board of selectmen had become farcical and partly because such a shift was politically advantageous to the dominant party. Because that same party has found political satisfaction in it and because the results have been adequate though not spectacular, the new plan has survived.

Stratford is a rapidly growing community. Until the beginning of this century, its population rarely passed the 5,000 mark and in the year 1840 sank to 1,808. By 1921 the population was almost 13,000 and now is estimated at 24,000.

Traditionally the chief occupation of the inhabitants was farming. At the turn of the century Stratford began to receive her share of the great influx of immigrants and now only about 40 per cent of the population are native Americans. More and more the town became an industrial community as new factories were constructed, especially in the neighboring city of Bridgeport. In 1921 the little old New England village was being transformed into a dormitory town for an industrial region.

The New England town-meeting form of government is unsuited to a rapidly growing community. Originally the entire slate of local officials was elected annually at a meeting of the assembled citizenry. These officials usually were amateurs, unskilled in finance or administration, though they included the selectmen, the board of finance, the treasurer, the auditor, the assessor, the collector of taxes, the board of relief, the town clerk, and many others. Election procedure was modified, as towns grew in size, to allow for party caucuses or primaries and for vote by ballot at the polls.

When the total electorate could assemble in one hall, the personal participation of every freeman in the discussion of current issues and in the election could provide the needed check upon the actions of their amateur officers. But when the community became too large for this it was not long before a town official, in order to maintain his security, must let himself be the pawn of the local political boss.

This had happened in Stratford when the last first selectman, the chief member of the administration, was nothing more than a teamster, not too successful in his business, but a jolly, amiable fellow, worth his salary perhaps to the Republican town committee but not to the town itself.

Finance was handled in the most casual fashion. While there was by 1913 a competent board of finance elected to prepare an appropriation estimate and tax rate, this elementary budget had to be submitted for final action to the uninformed judgment of the electorate, which often changed not only the tax rate but the total upon which the tax was to be levied; accounts were sometimes kept on nothing more systematic than a paper bag; auditing amounted to little more than the nod of assent of an untrained, popularly elected officer; in 1921 bills amounting to $1,250 had been paid twice and $30,000's worth had never been paid at all.

Meanwhile public demands increased with even greater rapidity than population. The automobile had come into extensive use and better roads were needed; industries were being managed on an efficiency basis and progressive citizens proclaimed a need for a similar program for their town government. Stratford's governmental equipment scarcely seemed adequate to the task of bringing the town up to date.

Aided by considerations such as these, a citizens' "committee of one hundred" was able to secure the passage in the Connecticut General Assembly and the ratification in Stratford of a special act chartering a fairly typical manager form of government and making Stratford one of the three council-manager municipalities in Connecticut.

LOW PER CAPITA WEALTH

A distressing lack of taxable property and a simultaneous need for elementary changes are two factors which prevent the display of anything dramatic in Stratford as a result of the manager form of government. Stratford is unhappily cursed by a low per capita wealth. The phenomenal growth of population has occurred for the most part in the lower economic brackets; there has been little aid from the taxation of valuable industrial plants since most, though not all, of the prosperous factories are in Bridgeport (notable exceptions are the Sikorsky factory, which has brought a large number of Russians to Stratford, and the Raybestos plant); there are only 247 homes of over $10,000 valuation. Consequently the taxable resources upon which Stratford can draw are extremely limited and the tax rate must be proportionally high. No matter what economies may be effected, new, vitally necessary projects have been accumulating since long before 1921—schools, roads, and public buildings, projects which must be carried out to meet the demands of a growing population and of wants at once more sophisticated and more numerous.

Nevertheless, citizens of Stratford are in general content with the "business basis" upon which the manager is now conducting the town's affairs and it is in this that the manager himself takes pride.

In spite of the town's inability drastically to reduce taxes and total debt, its greatest strides have been in finance. The first manager began the work of reconstituting the financial structure of the town when he installed a new accounting system. A coördinated, appointive finance department was formed to replace the five elective financial officers of the previous system. At the same time the council, which performed the combined financial functions of the previous board of finance, and the electorate became increasingly conscious of the necessity of keeping local expenditures at a minimum and of reducing both long-term and short-term debts.

NO DEFICIT

Before 1921 an annual deficit was quite to be expected; since the change to the manager plan there has been a surplus every year except 1932 when a tremendous relief burden caused a deficit of $96,879 from a budget of just over one million dollars; the following year there was a surplus of $7,065 and a decreased bonded indebtedness. One reason that these annual surpluses have been possible is that in making estimates of receipts the finance officer chooses as a basis for calculation a low rather than a high percentage of tax collection.

The tax rate reached peaks in 1935 and 1937 but has begun to decrease again. For 1939 it is 28 mills, a rate higher than those of most other towns of similar size in Fairfield County, but the lowest in Stratford in thirteen years. The council chairman states that 20 mills should be the usual rate, but that because of the combined handicaps of depression, local needs, and low per capita wealth this rate has been exceeded every year, except two, since 1919.

While the current record is not striking it indicates that Stratford is being run on a forward, not a losing, basis. Moody's gives the town an "A" rating. The council adopted in 1933 the policy of incurring no short-term debts. Likewise the council has been eager to reduce each year the bonded indebtedness by paying off more bonds than it issues. The reduction has perforce not been steady. Good use was made during the depression, however, of low interest rates and federal relief in acquiring funds for the building of an addition to the high school and a modern and charmingly designed town hall. Most of the major construction in recent years, including a new school and improvements in roads, drainage systems, and parks, has been done by relief labor.

Fields other than financial administration have been less formalized. In purchasing, for example, a simple and "common sense" procedure is employed by the manager, who is assisted here by one of the officers of the finance department. For personnel selection the council has provided, at the request of the present manager, civil service examinations and general standards of age, height, and weight for the fire and police departments. But after the results of the examination have been ascertained it is the manager who selects the new fireman or policeman. For the recruitment of administrative employees, of whom there are only sixty-eight, the manager may require the performance of some specific task, but the criterion is the suitability of the candidate in the manager's own opinion.

MANAGERS' TALENTS VARY

The character of each of the five administrations since 1921 has been determined by each manager's special interest or talent and by the intensity of his dominance over the council—the degree to which he has adhered to the council's policy that the council is the board of directors, the manager simply the foreman. In the same way the leadership exercised by the council chairman, who is elected as such by the council, has varied. The first four managers endeavored to make their leadership felt; only the fifth has lived up to the standards set by the theorists of council-manager government.

The first four were variously received by the public; of these only the fourth was truly liked and that largely because, while maintaining more courtesy and tact than his sometimes more domineering predecessors, he had "ideas"—ideas for the reduction of the number of pupils per school room, for the beautification of Stratford, for the carrying out of the town plan. But such a man could only be dubbed an idealist by a conservative council, most of them New Englanders, bred in economy, bent on the necessity of reducing town expenditures to the bone.

The present, or fifth, manager is heartily approved by the council because he does not attempt anything spectacular, because he is most interested in keeping the town running economically on a business basis, and because he takes orders. In fact, it was after years of observing that only this sympathetic sort of obedience could insure a manager's tenure, that the present manager took his office. Some say that he is too much at the mercy of the council and its lively chairman. It is for this that the townspeople are most likely to criticize him while it is for "ideas" and vision that they still praise the former manager. Nevertheless, most citizens of Stratford agree that the present manager is the best so far.

Whatever the particular temperament of each manager, each has contributed something to the modernization of the community. The first installed the beginnings of the present accounting system and gave, however tactlessly, of his experience as manager in other towns. The second, a graduate student of local government, drafted with the assistance of the town attorney (now Governor of Connecticut) the first zoning law for the town. The third, an engineer and little else, built or repaired many miles of road; for this the fire department is especially grateful. The fourth quite successfully carried the burden of town relief and succeeded in obtaining a town plan which is now kept up to date by the engineering division in spite of the waning of the interest of the town council. The fifth, for his work since 1923 in the department of finance and for his continued leadership as manager-director of finance, a leadership sympathetic to the sentiment of the council, must be given most credit for the stabilization of financial procedure.

POLITICS AND GRAFT

Politics have not been abolished in Stratford though graft has been virtually eliminated. In a previous administration there was such staunch managerial opposition to "politics" in relief that some appointments apparently were made solely to oppose, but one also hears gossip of relief assignments to persons already amply supported. Of any such shady implication the present administration seems to be free. As an example, the councilmen have transferred their annual assignment of new street lights to the manager in order to prevent political rivalries; on the other hand the number of members of certain council-appointed boards has been adjusted from time to time so that each councilman will have an equal number of appointments to make.

Politics still exist in town government. The council chairman says, "It's all politics," and it always has been. The charter itself was introduced in 1921, it is said, by the long-entrenched Republican party in order to save their control of the town offices. On the one hand, it was feared that the voters were tired of the Republican nominee for first selectman and would favor the Democrats. On the other hand, the financial state of the town was chaotic. A subcommittee of the Republican town committee was delegated to submit proposals for financial improvement. What they did submit was a totally new plan of government. The subcommittee was promptly "spanked" and forced to withdraw.

Under the direction of one of its members, however, the treasurer of the Republican town committee, a more or less independent movement was started in support of the new plan. The new plan recommended itself even to the conservative Republicans as a means of retaining their political control in the face of an imminent shift to the Democrats. Consequently, when there arose a citizens' "committee of one hundred," composed of outstanding Republicans with a few Democrats enlisted to give it a nonpartisan appearance, the "Old Guard" put up only a semblance of a fight. Their protests were sometimes vehement but were completely unorganized. As a result, and with a few concessions such as one providing for district-elected councilmen, the new plan won the day quite easily and the Republican control of the town continued not only among the proponents of the manager plan but also among the Old Guard.

The leading Republicans who had been the chief politicians of the town immediately found seats in the new council and some are still active. In the first council the Old Guard opposition had a two-thirds majority of the nine members. This was in spite of a "nonpartisan" ballot. These were the officials, incidentally, who were subjected to recall proceedings when the scandal of the council's treatment of the first manager came to light.[1] Perhaps they had hoped to wreck the whole plan by trying to ruin the new manager, but instead all but one of them found their own destruction, at least temporarily. Other members of the new council were Republicans who had fought for the new charter; one of these was the first council chairman, who later became town manager. Several years after, the former Republican town committee chairman won a place on the council and tried to retain it for years on a strictly nonpartisan basis, but at last he had to succumb to his more realistic Republican associates and "play ball" in order to claim any sort of consideration for his proposals.

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[1] See Richard S. Childs, "Three Town

The ballot, according to the charter, was to be nonpartisan, but that too has ceased to be a practical measure. For the first few years a nonpartisan extension of the committee of one hundred, the People's General Committee, supported candidates while others, nominated by petition as required by law, were backed by the various political parties. As time went on the parties more and more frankly "endorsed" candidates, sending out bulletins announcing the party's choice for each district and offering the customary enticements to bring out the vote. The absence of party names from the ballot remains the only indication of nonpartisan election.

For several years the nonpartisan committee of one hundred wisely continued its work of defense and support in the People's General Committee, but as it grew more and more exclusively Republican, it lacked incentive to work; it became only another adjunct of the town committee and died from lack of competition. Similarly the District Improvement Societies have expired or become attached in most cases to the Republican district committees. Unfortunately these civic associations aiming to support the charter have died out and with them all effective opposition to party politics in town government. So far as the defense of the charter itself is concerned there is little need for agitation; no serious attempt has been made to abrogate it either by citizens or by council.

In every case the Stratford councilman is a Mr. Average Man with his own business; politics is for him a hobby. He has just enough offices in boards and committees at his disposal so that he is satisfied with his present opportunities. Given less, he would have no incentive and little reward.

Stratford's politics are still run by amateurs. Most of them are proud of their American heritage, for in spite of the predominantly foreign population there have been few councilmen of foreign background. They are eager to preserve a conservative, average, American type of government. But administration has become professional. Finance has been stabilized, improvements have been made, the long sought "business" basis has been achieved. Nothing spectacular has occurred, but if Stratford's government is at all static, it is static on the modern level.

Managers in Trouble," National Municipal Review, May 1922, p. 134.

Contributors in Review

FEW in the state of Pennsylvania should be better equipped either to propose or to carry out local governmental Utopias than **H. F. Alderfer** (*Design for Pennsylvania Localities*), who holds three jobs, all of them intimately associated with Pennsylvania local government. He is executive secretary of the Institute of Local Government of Pennsylvania State College, secretary of the Pennsylvania State Association of Boroughs, and director of publications of the League of Cities of the Third Class in Pennsylvania. A final Pennsylvania affiliation is co-authorship of a book called *Pennsylvania State and Local Government.* Mr. Alderfer was born and brought up in Pennsylvania.

TRIPLE use has thus far been made of **Margaret Lippiatt's** (*Manager Plan in a New England Town*) research on government in Stratford, Connecticut. The Social Science Research Council has used it as one of the contributory studies in the nation-wide survey of council-manager governments during 1938 and Yale University gave Miss Lippiatt a master's degree on the strength of it. A native Californian, Miss Lippiatt came to Yale by way of Mount Holyoke College, '36. She is now research assistant at New Haven in the Department of Government.

AS CONTRIBUTING editor on council-manager government to the NATIONAL MUNICIPAL REVIEW, **Miriam Roher** (*A Taft in City Hall*) has visited numerous manager cities and interviewed all forms of citizendom and officialdom, from peanut vendors with political views to city managers and councilmen. Some of the results of her researches have appeared from time to time during the past two years in articles in the REVIEW. Miss Roher has also done research and writing on varied governmental topics, chief among them being public welfare, in her capacity of staff member during National Municipal League Consultant Service surveys of Bar Harbor, Maine, and White Plains, New York.

SINCE 1927 **Harry F. Scoville** (*Thrift via County Consolidation*) has been officially connected with Los Angeles County, successively as efficiency engineer, director of the Los Angeles County Bureau of Efficiency, director of the County Department of Budget and Research, and now as director of the Bureau of Administrative Research. Once he was a city manager, and became president of the California City Managers' Association. He has also been a city planner, a teacher of county government in the Civic Center School of the University of Southern California, and president of the Western Governmental Research Association. Missouri was Mr. Scoville's birthplace.

A PROFESSOR who practices political science as well as preaching it is **Roy V. Sherman** (*Akron's New Merit System: Case History*), head of the political science department of the University of Akron. While teaching at the Universities of Kentucky and Akron, Professor Sherman simultaneously assisted in organizing the Kentucky League of Municipalities, participated in the campaign for city manager government for Lexington, took part in several local reform campaigns in Ohio, directed the Akron police school and led an Akron civic forum. He has published articles based on his experiences in the *American City, Public Management,* and the *American Political Science Review.*

(Continued on Page 733)

Reflections on Governmental Research

By WILLIAM E. MOSHER
Maxwell Graduate School of Citizenship and Public Affairs
Syracuse University

> ***"It is our belief that each community in the country should have a well qualified agency interested in resolving the conflict between those who would spend and those who have to pay."***

THE annual conference of the Governmental Research Association, which took place early in September at Princeton, New Jersey, canvassed in a systematic way the functions of the governmental research movement. The discussion gave rise to the reflections which are brought together in this paper.

It was recognized that governmental research is carried on by a variety of agencies, such, for example, as governmental departments on all levels, by national associations of governmental officials, by bureaus of research, by taxpayers associations, and occasionally by civic reform organizations. Lately an undue emphasis seems to have been given to the research function of the Governmental Research Association, which consists in the main of men and women associated with bureaus of governmental research and taxpayers associations.

Two basic ideas that have been somewhat neglected stand out as a result of the conference as far as these last named types of organization are concerned. The one is that research is simply one of several tools used by these organizations, the other that citizen support is a distinguishing feature of bureaus of governmental research and taxpayers organizations. These considerations lead to the proposal that in the future the Governmental Research Association should consist of citizen-supported agencies and their staffs. It was agreed that they have so many policies and problems in common that this limitation on membership is called for.

In canvassing the functions of citizen-supported agencies it became clear that one fundamental function is the application and interpretation of facts as the basis for improving government, such application being directed toward two objectives. Broadly speaking, one objective is the development of better methods of administration and all that this entails among public officials themselves. The other is the development of public opinion among the citizenry in the interest of improving the character of government.

The success of a research organization will then depend upon investigation, compilation, and interpretation of facts looking toward the education either of the bureaucracy or of the citizenry or both.

As far as the bureaucracy is concerned, it must be recognized that those administering the governments of cities and states of the country fall far short, in the procedures and processes of management, of the standards which have met the approval of experience. Despite the imposing advances that have been made by the national organizations of public officials in the science and art of administration, the critic might without much difficulty prove that in a majority of public jurisdictions the officials concerned have not taken advantage of the best practices and standards that are available.

It is at this point that the research bureaus and taxpayers associations may perform a significant function. They have the opportunity to interpret and apply available knowledge to the local scene with which they are associated. This means the gathering of data bearing upon one or another procedure, the compilation of comparable data from other sources, the use of comparative statistics, and the reference to accepted best practices or standards.

By this means the research agency can become an ally of the professional association. Under some circumstances it can establish its own case with respect to one or another matter, that is, where the professional association may not have taken a stand. In this latter situation the staff of the research agency becomes not an adapter but an inventor.

Creation of Public Opinion

One of the most generally accepted truisms in the field of public administration is that no government can advance faster than public opinion permits and approves. In this connection the educational function of the research agency is directed toward the more intelligent members of the local citizenry. Here it will make use of the devices well known to the publicist, as for example popular bulletins, newspaper articles, public meetings and conferences.

Some bureaus have been particularly successful in stirring up public opinion by such means. Obviously a progressive attitude on the part of the public will give stimulus to a progressive attitude on the part of the officials. At the same time a too progressive attitude on the part of the latter may be handicapped by indifference or prejudices on the part of the former. It is unwholesome if either group is out of step with the other. As no other organization, the bureau of research is qualified to see to it that citizenry and officialdom are in step, each aiming at the progressive improvement of the government with which both are identified.

The citizen-supported group has a general and over-all responsibility which it alone is capable of fulfilling. That is the balancing in an impartial way of the interests of all. Under a proper setup its staff will give due weight to the desires of the officials who are and should be continuously interested in improving and expanding services to the desires of special interest groups, as, for example, those who would extend the probationary system, the health program, recreational facilities, and the like, and finally to the desires of the taxpayers who are disturbed at the mounting costs of operating government.

The dominant purpose of citizen-supported agencies is the welfare of the public as a whole. It is called upon to make factual studies with regard to one or another matter and on the basis of its results to bring its influence to bear in the interest of all concerned. Even the legislative body, which presumably is representative of all citizens, is, as is well known, strongly influenced by pressure groups and partisan considerations. As a matter of fact, there is no competent agency within a community that is in any way comparable to a well organized and well balanced bureau of research or taxpayers association.

Unfortunately, there are not a few taxpayers associations which do not belong in this category. Their outstanding objective is to reduce taxes and obtain cuts quite regardless of the damaging effects to the services which may be affected, some of which may be actually essential to the well-being of the community. Such organizations have become and may become in the future nothing more nor less than a menace to the commonweal.

It is probably true that in almost any jurisdiction savings may be brought about which will lead to a reduction of taxes through the adoption of better governmental structures, of more up-to-date procedures, and a more competent official leadership within the boundaries of a bureaucracy. It is the proper function of the citizen-supported agencies to prepare the way for improvements along these lines and thus to bring about the desired economies.

Some taxpayers associations are not manned and not designed to attain these results. It will not be disputed that there has been a boom in the establishment of taxpayers associations in these recent years. They respond to an obvious and proper need of relief, but if their influence on legislative bodies and appropriation committees is not wisely directed, experience shows that it can work havoc. Examples are plentiful illustrating the ease with which those promoting taxpayers organizations can secure a membership and can stir up that membership to bring an irresistible influence to bear on appropriating bodies. This step calls for little skill and only an inconsiderable amount of intelligence, whereas both skill and intelligence of a relatively high order are called for if the power of protesting taxpayers groups is in the long run to work good rather than harm.

Citizen Groups Needed

In accordance with the analysis above, citizen-supported agencies are called upon to play the role of brokers in a market characterized by conflicting interests and tendencies. These agencies should establish and hold in balance the conflict of interests, approaching the problem objectively, impartially, and with understanding as to what action will best serve the interests of all groups affected by whatever decisions may be made.

There has perhaps never been a time when citizen-supported organizations of the type described above have had a more important role to play than just now. On the one hand government, both in its organization and its services, is becoming more and more complex and technical. It must, therefore, be interpreted to the general public by those who are endowed with special competency.

Furthermore, because of the unprofessional character both in the selection and training of vast numbers of public officials in important positions, competent interpreters of progressive measures are required at this point also. On the other hand, government is becoming more and more expensive. It is absorbing an increasing amount of the national income year by year. As services expand the tax burden will rise even more. These circumstances point to the need of economy and efficiency as never before.

The phrase, economy and efficiency, was first coined by the bureau movement and has been its lode-star ever since. It is our belief that each community in the country should have a well qualified agency interested in resolving the conflict between those who would spend and those who have to pay, resolving it on the basis of careful and impartial analysis of facts to the end that all may be well served.

The Researcher's Digest: October

New public administration organization and new research association to grow out of September GRA conference; Des Moines Bureau lists eighteen years' accomplishments; Western directory published.

TWO governmental research organizations will grow out of the **Governmental Research Association** as a result of proposals made at the twenty-eighth annual conference of the Association at Princeton, New Jersey, September 6th to 9th.

A public administration research association, to be composed of administrators and those university groups interested in the training of administrators, was inaugurated at a dinner meeting by Charles A. Beard, based upon the original proposal advanced by Luther Gulick of the Institute of Public Administration.

The second new group will be limited to staff members of bureaus of governmental research and others directly engaged in citizen-supported activity designed to do research on and influence the administration of local government. Lent D. Upson of the Detroit Bureau of Governmental Research proposed this latter organization. Dean William E. Mosher of Syracuse discusses its aims on page 725 of this magazine.

After October 1st, it was announced, the quarters of the GRA will be moved from Chicago, to be housed temporarily in the offices of the Detroit Bureau of Governmental Research.

Considered one of the most successful meetings of the GRA ever held, the twenty-eighth conference devoted fully half its sessions to discussion of the fundamental aims and techniques of governmental research. Proceedings of the conference will be published by the Governmental Research Association in the near future.

Des Moines Points with Pride

Directly related to the Princeton discussions of the functions of a research bureau is a forty-two item list of the chief accomplishments of the **Des Moines Bureau** since its organization in 1921 which has just been released by the Bureau. As a case example, the list merits reproduction in full. Perhaps just as revealing might be a supplementary list, to be used side by side with this one, detailing the methods used to secure each accomplishment. The report follows:

> The Des Moines city and school per capita costs are less than the average for twenty-one cities of its population group—also less than the per capita cost ten years ago.
>
> The Des Moines city and school bonded debt is lower than it was ten years ago despite the many city work relief bonds which have been issued in recent years.
>
> In thirteen years the bureau has saved Des Moines' taxpayers over $5,000,000 in needless bond issues prevented and public expense items cut.
>
> The work of this Bureau is all done by two paid employees, the secretary and stenographer, directed by the president, who passes on reports and recommendations. Frequent legal assistance is also required.

1. Helped send four city payroll padders to jail (1922-23). This has saved many thousands of dollars since by deterring graft.

2. Secured legislation combining city and county hospitals (1925).

3. Helped draft first state budget (1925).

4. Induced Polk County Hospital Board to defer the building of expensive new general and contagious hospitals costing half a million dollars (1927). Saved about $25,000 in added yearly overhead expense.

5. Drafted and secured passage of law providing for system of permanent registration of voters for elections (1927). Saves $10,000 biennially.

6. Drafted and secured passage of act providing for biennial instead of annual school elections (1927). Saves $3,000 every two years.

7. Drafted and secured passage of acts abolishing fees and perquisites in offices of county sheriff and county attorney for liquor cases, feeding prisoners, and auto mileage (1927-1933). These items, which cost $74,000 in 1926, were cut to $28,000 six years later.

8. Made survey of city and county bonded debts and laid out plan for amortization (1928-1930). This plan has resulted in saving several hundred thousand dollars interest in future debt charges.

9. Drafted and secured passage of county budget act which places county offices on budget basis and saves thousands yearly (1929).

10. Won case in Supreme Court blocking insane fee grab by clerks of court (1929). Saves $2,000 yearly.

11. Suggested purchase of photostat equipment in county recorder's office (1929). Saves about $2,000 yearly.

12. Investigated county purchasing procedure and secured passage of resolution requiring competitive bids on most county purchases (1929). Saves thousands of dollars yearly.

13. Found county voting machines were overinsured by $40,000 and county employees were receiving premiums (1930). County went on co-insurance basis, obtained refunds, and reduced insurance carried.

14. Persuaded officials to take competitive bids on election printing supplies for county and city, which saves $2,000 every two years (1931).

15. Drafted law which passed in 1931, providing that proceeds from moneys and credits 5-mill tax levy should offset an equal amount of property taxes. This saves about 1½ mills yearly.

16. Made report showing it is against best interests of city ever to annex Valley Junction (1931).

17. Drafted and secured passage of law providing for biennial instead of annual census of school children (1931).

18. Investigated poor fund for grand jury; made report to jury which resulted in savings of many thousands of dollars in meat and other food costs (1932-1933).

19. Bureau helped in creation of 1931 Committee on Reduction in Governmental Expenditures which presented legislative program of seventy-five bills (forty-two of which were passed), saving millions of dollars a year in entire state (1933).

20. Bureau contributed materially to the passage of, and at one point saved, the Beatty-Bennett bill, which cut tax levies on Des Moines property nearly a million dollars a year under the 1931 peak (1933).

21. Drafted and secured passage of law forbidding public officers from collecting witness fees while on duty (1933). Saves $1,000 a year.

22. Drafted law providing for quadrennial instead of biennial real estate assessment which saves $10,000 biennially in assessing expense (1933).

23. Drafted law changing method of computing taxation on assessed values of property from one-quarter to full value. This vastly simplifies tax levying and assessing procedure in this state and therefore saves money in preparing tax and assessment records (1933).

24. Passage of law in 1934 to last two years, providing for payment of outstanding warrants at end of year by delinquent tax collections instead of by issuing bonds. This prevented city bond issues for deficits of $240,000 in 1933 and $167,000 in 1934. Big saving in interest on bond issues, which otherwise would have been necessary (1934).

25. Drafted and secured passage of new firemen's and policemen's pension law which decreases taxpayers' contributions toward pensions for new firemen and policemen from 93 per cent to 60 per cent (1934).

26. Secured adoption of revision in city's monthly financial reports which reveals true condition of city funds and brings to public attention any growing deficits (1934).

27. Started agitation and helped in passage of new delinquent tax collection law abolishing scavenger sales. This law has since brought in about $1,000,000 in back taxes (1935).

28. Bureau won Supreme Court decision in miracle budget injunction. This prevented another threatened $50,000 overestimation of office receipts in 1936 city budget. Decision also condemned practice of incurring deficit by overestimation of office receipts (1936).

29. Discovered an unnecessary levy of about $60,000 in one city bond fund in 1936, which permitted an equal saving in taxes in 1937.

30. Organized a small speakers' bureau in 1937, which supplied civic organizations

with speakers on problems of local government.

31. Drafted and secured passage of bill which confines annual city expenditures to 95 per cent of the tax levy and forbids an overestimate of receipts other than taxes (1937). This should stop annual city deficits.

32. Bureau shared with city employees and several other organizations the credit for enacting the new municipal civil service bill which, among other improvements, eliminates the old evil of prolonged temporary appointments without examinations (1937).

33. By its disclosure regarding the inequitable "district discounts" granted by the city assessor in the 1937 real estate assessment, and by showing that the majority of assessed local values were higher than the average in other cities of the state, the Bureau provided convincing evidence of the injustice of the 1937 real estate assessment which induced the city council to cut $14,000,000 from the real estate valuations originally made by the city assessor (1937).

34. Bureau shared with the Des Moines Real Estate Board the work which resulted in the order by the State Appeal Board cutting the proposed 1938 Des Moines school tax levy by $100,000, and the city of Des Moines tax levy by $323,000 (1937).

35. Opposed arbitrary appointment by city council of new fire chief without competitive examination. Stiff civil service examination was held and qualified man selected (1937).

36. Bureau provided most of the statistical data used in the city manager plan campaign in the winter of 1937-1938, which, while unsuccessful in putting over the plan, raised the chief issues which paved the way for the election of a new city council which has pursued a policy of economy and efficiency (1937-1938).

37. Opposed building new sewerage disposal plant for many years because city could not afford it—then when federal aid was available, urged its construction as work relief project (1937-1939). PWA and WPA contributed $1,900,000 toward $2,700,000 project which gave huge saving to city.

38. Urged adoption of yearly instead of hourly wage for semi-skilled, year-round city working crews (1938). This improved morale and credit of men; gave city many hours of extra work and disconnected city pay rate from yearly boosts of union scale.

39. Wrote most of city job classification report which gives duties and minimum requirements for every city position (1938).

40. Made exhaustive investigation of $6,500,000 yearly county poor relief setup and pointed out possible economies in poor farm, drug purchases, etc. (1938).

41. Drafted bill which was passed by legislature, permitting city to continue work relief program for two more years, instead of dumping 3,000 WPA workers back on county direct relief (1939). This will save at least $200,000 a year in county poor relief bonds.

42. Drafted bill for legislature, which was enacted, centralizing control of state motor vehicles under Governor (1939).

Western Index

Names of official and citizen-supported governmental research groups in the western states, a description of their activities and organization, and lists of their periodical publications, studies completed, and studies in process are contained in a directory just published by the Bureau of Public Administration of the University of California for the **Western Governmental Research Association.** A dollar will buy a unique publication of thoroughly cross-indexed vital information, 123 pages long. The book constitutes a new and revised edition of a previous directory prepared by the Bureau of Public Administration in 1935.

Arkansas Bureau Offers In-service Training

The **Bureau of Municipal Research of the University of Arkansas** and the Arkansas Municipal League will undertake an extension of municipal employee training services during the coming months, reports Henry A. Ritgerod of the research bureau.

Regional schools for advanced fire training courses for firemen who have qualified in a basic fire training course, given for the last eighteen months under the sponorship of League and Bureau, will be pened in various parts of the state in ctober and November. Approximately ight hundred firemen, both full-time and olunteer, are participating now in this rogram. Water and sewerage plant superntendents are also to have a series of istrict schools during the winter months. t present, the training activities for water nd sewerage plant employees are limited o an annual short course held at the niversity of Arkansas each spring. Finaly, regional conferences for mayors and ldermen on municipal problems are cheduled for the early months of 1940. hese conferences were inaugurated in 938.

Public service training activities at the tate level are also continuing under the ponsorship of the same two organizations, nd plans are under way for their extension o additional classes of public employees.

Research Bureau Reports Received

Assessments

The Results of a Hit or Miss Special Assessment Policy. Schenectady Bureau of Municipal Research, Inc. *Bulletin,* August 28, 1939. 4 pp.

Borrowing

City Debt. Schenectady Bureau of Municipal Research, Inc. *Bulletin,* September 12, 1939. 4 pp.

Why the City Must Borrow $800,000. Rochester Bureau of Municipal Research, Inc. *Municipal Research,* August 1939. 1 p.

Cost of City Government

Annual Expense, City of Rochester. Rochester Bureau of Municipal Research, Inc. *Municipal Research,* August 1939. 1 p.

Published Budgets Call for Total Expenditure of $6,738,351.08 and Tax Rate of $2.813. Taxpayers Research Association, Fort Wayne, Indiana. *Research Bulletin,* August 1939. 4 pp.

Finance

An Analysis of the $3,332,581 Deficit in the Municipal Revenue Fund. Governmental Research Institute, St. Louis, Missouri. *Mind Your Business,* September 11, 1939. 7 pp.

Population Trends

Boston Comes of Age. Boston Municipal Research Bureau. *Bulletin,* August 28, 1939. 8 pp.

Research

The Documentation of Public Personnel Administration. Western Governmental Research Association. *Governmental Research Notes,* August 1939. 11 pp.

Governmental Research Organizations in the Western States as of January 1939. Published by Bureau of Public Administration, University of California, for Western Governmental Research Association. 123 pp.

Summary of Proceedings of the Fourth Annual Institute of Government at the University of Washington. July 12, 13, 14, 1939. Bureau of Governmental Research, University of Washington. September 1, 1939. 44 pp.

Public Welfare

Erie County Welfare. Buffalo Municipal Research Bureau, Inc. *Just a Moment,* August 17, 1939. 2 pp.

State Aid

Can State Aid Aid Local Economies? New York State Bureau of Governmental Research. *Bulletin,* September 11, 1939. 4 pp.

Tax Delinquency

Questionable Assets. Schenectady Bureau of Municipal Research, Inc. *Bulletin,* August 16, 1939. 4 pp.

Letters to the Editor

To the Editor of the NATIONAL MUNICIPAL REVIEW:

On page 602 of the August 1939 issue of the REVIEW, in his review of *Tax Exemptions* by James W. Martin, *et al.,* is the following from the pen of Dr. Thomas H. Reed:

> President Roosevelt's proposal for the reciprocal removal of the exemptions which now protect the securities and salaries of one jurisdiction from the taxation of another is a serious one. It is peculiarly interesting since one of its natural results will be to force wealthy people to invest in productive private enterprise whereas the general policy of the New Deal has been to discourage saving and private investment. The whole matter of the relation of the removal of these exemptions to the New Deal economic philosophy might have been profitably examined.

It strikes the writer that it also may be profitable to examine a facile postulate and assumption which appears garbed as a fact in this statement, particularly in the phrase beginning, "the general policy of the New Deal."

There has been for some years a diminution in the amount of money, over that previously, flowing into the purchase of new capital goods whose title remains in private hands. This situation began long before President Roosevelt was inaugurated. If its causes and reasons are sought, prominent among them are the policies of the administrations which preceded his. These should be properly weighted with responsibility, for it has often happened that just one action, preceding the relinquishment of office, on the part of ignorant or emotionally blinded men may create so much havoc that a generation of reconstruction hardly suffices to repair the damage.

It is always a problem as to how far back the motion picture film of history must be unrolled to shed full light upon the present. A convenient year is 1914. At its beginning the currents of the world's economic life were flowing fairly well. We were habituated to a situation in which one-half the yearly cotton crop, one-third of the cereal crop, direct or as meat, and a small percentage of our industrial products, went elsewhere. Tariffs had been slowly rising but foreigners were able to pay for these exports in the only way one set of nationals can pay another in any real sense—with other goods.

Then war came. The flow out to the Allies and neutrals increased enormously; the rate of flow of our money into capital goods went up in even greater proportion.

Then came the peace of Versailles. Farsighted economists saw then that in order that the Allies pay off their debts, their interest, and rebuild their equipment, we must be prepared to take a very much greater volume of imports than before the war. For Germany to pay any reparations a larger foreign market for her goods was also a necessity. But fear by the owners of our industrial equipment that this would mean a loss of our home market to them became a panic. They controlled the political as well as the economic power. The result was the Smoot-Hawley tariff act. The famous round-robin of the hundred leading economists, which all who accept the Reed postulate should re-read monthly, was treated as a scrap of paper. Then, and not with the inauguration of Roosevelt or his policies, were the forces set at work which had created the situation that no great extension of our capital equipment has been needed since, in the economist's sense of loans solicited wherewith to buy new capital goods.

Since then, nor all the king's horses nor all the king's men, though they be braintrusters of either major political school, have been quite able to put the Humpty Dumpty of American economic life quite together again. My own feeling is that Henry A. Wallace has done the best long-reach job.

But I. A. Richards has recently repeated, in *Interpretation in Teaching,* the salutary ounsel enunciated so well in the twelfth century by John of Salisbury in his *olicraticus,* “Any particular thing has inherent in it as many meanings of other objects s it has likenesses to them, on condition, however, that the more important is never he sign of the less important thing.” And there is a way to take Dr. Reed’s remark o that it states the truth about the New Deal but not in the way he intends.

It is true that the New Deal has worked so that one effect is to discourage private nvestment at the rates of interest still felt, by those with large amounts to invest rivately, to be normal and just. The New Deal has re-established to some extent he flow of incomes of small size. Small as they are, saving takes place, in spite of r. Reed’s statement that the New Deal discourages it. It takes the form of insurance remiums. The result is that one company alone is forced to invest one million dollars day. The amount of funds which must be invested grows ever greater and the low ate of interest that is accepted reduces interest rates in all investment fields. Plotted s a curve we recognize our old friend, the law of diminishing returns. The strike gainst its implications is seen by the short-sighted as a reaction to the policies of he New Deal. But this fate in our economic drama was seen on the stage by some conomic observers before history knew Wilson, Harding, Coolidge, or Hoover, and ill be working when school boys studying history have difficulty in keeping the oosevelt presidents separate.

The only answer to the whole problem involved which does not call for the extinguish-ent of private enterprise, is not to blame Roosevelt, or to give national control back o that group of woefully ignorant men who, though they now have a brain trust ave it as an ornament and not as working tool—the answer is to make money suffer rom the disease which all other unused things must suffer from—slow decay.

To those who work in the field of municipal affairs this long time trend towards ero interest implies that the low rates now obtaining tend to be permanent and the oad on our taxpayers hereafter will not be as heavy as in the past from that item f the budget.

Martin Tripp

CONTRIBUTORS IN REVIEW

(Continued from Page 724)

SOME Economic Implications of Present United States Population Trends” is the subject of the dissertation **R. Burr Smith** (*Replanning for Depopulation*) is preparing for his doctorate at New York University. A graduate of Princeton University’s School of Public and International Affairs in 1934, he has just been appointed assistant professor of social sciences at the University of Newark. Previously he taught economics and sociology at New York University’s Hofstra College on Long Island. Social science is a tradition in the Smith family, Mr. Smith’s father being provost of New York University by way of the Department of Government.

TEN years ago, a National Municipal Review article by **Harvey Walker** (*Well Springs of Our Laws*) was seen by publishers, who asked him to write a book on the same subject called *Law-Making in the United States.* If a book results from this article, it would be Professor Walker’s fifth, the three others being *Federal Limitations upon the Municipal Ordinance-Making Power,* 1929; *Training Public Employees in Great Britain,* 1935; and *Public Administration in the United States,* 1937. Besides his present position at Ohio State University, Dr. Walker has been a member of the staffs of the Leagues of Municipalities of Kansas and of Minnesota, and was superintendent of the budget of the state of Ohio for two years.

News in Review

City, County, State Progress in Brief

Illinois Voters Seek Referendum on Manager Legislation

Federal relief provisions and Hatch bill react on localities

By H. M. OLMSTED

Three times in the last three years the Illinois General Assembly has refused to pass enabling legislation to permit Chicago and other Illinois cities to adopt the city manager plan and proportional representation.

Each defeat, however, has had the effect of crystallizing public sentiment in favor of the bills. Today, 205 organizations, including such bodies as the Illinois Chamber of Commerce, Illinois Department of the American Legion, Illinois League of Women Voters, Illinois Congress of Parent-Teacher Associations, and Illinois Federation of Women's Clubs, have endorsed the legislation.

It has now been decided to act under a state law providing for referendums on matters of public policy. Petitions have been printed by the Chicago City Manager Committee and are ready for circulation. When approximately 450,000 signatures have been obtained, the petitions will be presented to the Secretary of State who is then directed by statute to place the question on the ballot as follows:

> Shall the people of the cities and villages of Illinois be given the right to vote upon the question of adopting or rejecting the city manager plan of municipal government under which the proportional representation method may be used for electing members of city and village councils?

Three results are anticipated from the petition drive: first, mass education through word of mouth and printed information given out by circulators of the petitions; second, formation of an effective citizen organization of thousands of persons throughout the state united in a common objective; and third, a mandate to the General Assembly to give the people the right to decide for themselves a fundamental question.

The keynote of the referendum campaign was sounded in a radio broadcast over WLS on September 20th. L. E. Leverone, legislative chairman of the Illinois Chamber of Commerce, Mrs. Laura Lunde, vice president of the Woman's City Club, and H. Barry McCormick, chairman of the Chicago City Manager Committee, participated in the radio discussion, at the conclusion of which Mr. Leverone stated:

> Our defense of democracy can begin at no better point than right here at home on this front. . . . We are operating on the conviction that issues can be decided by ballots and not bullets, that our chosen representatives will enact laws which express the will of the majority. Through the medium of the public policy referendum all of us can take part in a democratic process—and make our community a better place in which to live.

Roger Dunn, *Secretary*
Chicago City Manager Committee

Editor's Note.—A questionnaire covering a number of topics is being circulated throughout Chicago by the National Progressive Republican Organization. One of the questions asked is whether the citizens of Chicago should be given an opportunity to vote on the city manager form of government. William Balmer, director of the poll, announced on September 22nd that in the first batch of returns 8,690 out of 9,738, or nearly 90 per cent, favored such an opportunity.

WPA Restrictions Cause Local Relief Problems

Political differences between the administration and Congress and additional experience with relief were responsible for drastic restrictions hastily imposed on the Work Projects (ex-Works Progress) Administration by the last Congress, which appropriated $1,477,000,000 to provide an average of 2,050,000 jobs during 1939-1940, compared with 3,000,000 in 1938-1939. To some million people on local relief rolls eligible for WPA employment will be added many dismissed workers whom "unforeseen and unpredictable developments" keep from private jobs, so that local relief costs will be increased substantially, unless additional national funds are appropriated.

National contributions now are limited to not more than three-fourths of the total cost of all non-federal projects, approved after January 1, 1940, in any state, although on some projects and in some communities they may be greater. Most of the states will have to contribute more, some substantially more, than they did last year. The largest increases are required in northern industrial states where unemployment is heaviest and high wage rates reduce the ratio of sponsor's contributions to total costs.

Congress curtailed political abuses considerably, but did not approve Colonel Harrington's request to bring the WPA under the merit system. Work relief officials fear that reduced funds for administration coupled with new duties, especially the mandatory periodic review of need, will seriously impair the efficiency of the program.

Aliens still are barred from WPA jobs, and preference in employment now is to be determined, "as far as practicable, on the basis of relative needs," and where these are the same, is to be given first to needy war veterans, and then to other citizens. To "spread" benefits (without increasing appropriations), and to stimulate "career" workers to seek private jobs, the law requires that anyone, except a veteran, who has been on WPA rolls over eighteen months is to be removed. If certified after the expiration of thirty days still to be in need of relief, such person becomes eligible for, but is not automatically given, re-employment. About 650,000 people had been dismissed under this provision by September 1st.

Public projects which WPA may prosecute remain substantially the same as in the past. Federal expenditures on future non-federal building, but not other, projects are limited to $52,000. Federal costs will not be affected greatly since non-labor expenditures are limited to seven dollars per man per month, while the quality of projects in communities in financial straits will probably be lowered. Congressmen thought "subversion" outweighed social utility, so the Federal Theatre Project was abolished outright, while the music, writing, art, and historical records projects are permitted only if sponsored by local governments, whose contributions need not be more than nominal, but which may lack legal authority or interest. Most of these projects, however, continue to operate, usually under sponsorship of state agencies.

Prevailing hourly rates of wages are terminated and, with some exceptions, a standard month of 130 hours is required of relief workers. Unions fear that private employers, too, will cut wages, and local officials are worried by costs of materials required by increased working time; but the WPA contends that efficiency will be increased and that off-time "chiseling" will be reduced. Finally, the 1940 relief law requires that monthly earnings "shall not be varied for workers of the same type in different geographical areas to any greater extent than may be justified by differences in the cost [not standard] of living." Northern wage scales have been retained, and in some cases reduced, while southern earnings have been increased substantially.

ELIAS HUZAR

Cornell University

Greenbelt Experiences the Hatch Bill

Greenbelt, Maryland, the federal government's model village, is probably the first city in the country to feel immediate effects of the so-called Hatch bill "to prevent pernicious political activities." The city is the only one in Maryland having a manager form of government with a nonpartisan council. Almost 75 per cent of the town's 3,100 population are employees of the federal government. The great majority of these are under civil service regulation.

When President Roosevelt affixed his signature to the act on August 2nd, eighteen citizens of Greenbelt had officially or unofficially announced their intention to run for city council in the elections to be held the following month. Ten of the candidates were federal employees under regulation of the United States Civil Service Commission. At once excitement was great and discussion spirited as to whether or not these federal employees were disqualified from seeking office. Although the President's message explaining the Hatch bill answered many inquiries it left unsettled the peculiar situation in Greenbelt.

One incumbent councilman standing for re-election sought clarification on the matter from the executive officer of the Civil Service Commission, and from the civil liberties unit of the Department of Justice. He was informed that under the Hatch bill he could not seek re-election and that should he do so the Attorney General of the United States would be forced to prosecute. At a stroke the number of eligible candidates in the community was reduced to the eight who were members of the 25 per cent of the town not in the federal service. Incumbents are not forced to resign, however, but may hold office until the end of their terms.

There is a real doubt in the community as to whether it was legislative intent to deprive federal employees from seeking a nonpartisan local office. A test case would be desirable, inasmuch as the character of representation on legislative bodies not only in Greenbelt but also in many other communities in Maryland and Virginia is vitally affected.

The only organized effort which has been made on behalf of government employees living in nearby Maryland and Virginia cities is that of the Prince Georges County Municipal Association. At a meeting on September 14th, the association adopted a resolution to be presented to Representative Lansdale Sasscer asking for an amendment to the Hatch act to permit federal employees to run for county and municipal offices. The association also is seeking support for this action from civic organizations and from the twenty-three town councils in the county. The results of this movement will be eagerly awaited by the many communities where federal workers have made a significant contribution to responsible civic leadership.

HUGH A. BONE

University of Maryland

Council-Manager Plan News

On September 26th, **Columbia, Tennessee,** adopted the manager plan of government at the polls. Election of council under the new charter will take place on October 14th.

Considerable interest in the manager plan is being shown in Ohio. The **Zanesville** city council has voted to place upon the November ballot a proposed amendment establishing the manager plan of government. The council's action followed the filing of petitions signed by 5,268 voters, asking a vote on the question. **Circleville** expects to take an advisory vote on manager government in November.

On September 8th **Ashtabula, Ohio,** defeated another attempt to do away with the manager charter under which the city has been operating since 1915. The majority was larger than in the case of previous efforts to discard the plan. The vote was 3,247 to 2,110.

Allegan, Michigan, will vote on a manager charter on November 7th.

Los Gatos, California, is to vote on council-manager government October 23rd.

A manager charter was adopted by the **Jackson, Michigan,** charter revision commission on August 14th, at its forty-second meeting. The next step will be the submission of the charter to the Governor and the Auditor General for approval. After obtaining such approval it is to be given to the city commission and submitted to popular referendum at the general election of November 7th.

Silverton, Oregon, may vote on the inauguration of city manager government this fall.

Gardiner, Maine, defeated a proposed manager charter on September 11th by a vote of 933 to 655.

Tippecanoe (Tipp) City, Ohio, defeated a proposed manager charter on September 23rd.

Waterbury, Connecticut, defeated its proposed city manager — proportional representation charter on October 3rd by a vote of 14,726 to 10,513.

On the same day **Grand Forks, North Dakota,** also defeated a proposed manager charter. The plan actually received a majority of the votes cast but because such referenda must receive a four-sevenths majority, the new charter cannot go into effect.

Petitions asking a vote on the manager plan have been filed in **Newark, New Jersey,** by the Citizens' Union. The petitions contained over 25,000 signatures, 8,000 more than necessary.

The **Ann Arbor, Michigan,** Citizens' Council is urging the Charter Study Commission of that city to give full consideration to the manager plan of government.

Poughkeepsie, New York, will hold a referendum on the appointment of a charter commission at the November election.

Honolulu, H. I., is among the cities actively interested in the manager plan.

Richmond Poll Favors Vote on One-Chamber Council

In Richmond, Virginia, the *Richmond News-Leader,* polling citizens on the question whether a single body of nine men should replace the present bicameral council of thirty-two, found three persons opposed to a referendum on the subject, as against 223 in favor of it.

Active League in Seattle

Citizens interested in good government for Seattle and King County have strengthened and developed the Seattle Municipal League during the past twelve months, although there is still some difficulty in getting the work adequately financed.

From more or less of a debating society exercising a mild influence the league is an increasingly effective instrument of municipal research and publicity, with a paid staff responsible to an elected board of directors. The executive secretary is Glenn Eastburn, who came to Seattle with an enviable record in connection with the improvement of local government over a period of years, first in Omaha and then throughout the state of Nebraska.

The league has established thirty-eight committees for the active participation of the league's members. Sixteen of these committees have to do with affairs of the city government, eleven are concerned with county matters, six deal with general problems of local government, while five committees concern themselves with league matters of internal character.

Mayor Langlie's program of rehabilitating the Seattle transportation system passed another hurdle on August 21st, when the City Council confirmed, eight to one, his three nominees for the Street Railway Commission.

The State Highway Department in Washington inaugurated a program of vehicle inspection for all automobiles throughout the state early this year. It has met with general satisfaction. Effective

August 1st, all automobile drivers' licenses are issued only after examination.

Minneapolis Civic Council Arranges One Hundred Meetings

The Civic Council of Minneapolis, Minnesota, which has an organization in all the wards of the city, according to *Civic Councilor,* its monthly publication, has made plans for upwards of one hundred public discussion meetings in the next eight months, in coöperation with other civic organizations, clubs, church groups, and community committees. A group of speakers, both men and women, have volunteered to lead the discussions. The council has accumulated much factual material upon a wide variety of subjects having to do with Minneapolis resources, industrial development, business prosperity, labor relations, unemployment, city government, civic responsibilities, and municipal recreational facilities. The discussions are intended to be entirely informative, and the list of topics will be expanded as necessary.

Municipal Cooperation Facilitated by New Legislation

New laws enabling local governments to coöperate in performing services stood out among those enacted by state legislatures in 1939, a survey in twenty-eight representative states by the American Municipal Association shows.

Other legislation of importance to cities gained them new revenue-producing and regulatory powers in some states, and in others increased state supervision of municipal administration, especially in finance.

The new laws enabling local governments to contract with one another or with state agencies for services cover matters ranging from airport building to fire and police protection. These laws are intended to make it possible for small units of government to get better facilities and services.

In Wisconsin cities, villages, towns, counties, and school districts are given blanket authority to enter into agreements for the joint performance of any services. In Arkansas two or more cities may now build and operate airports jointly. A new Michigan law permits two or more governmental subdivisions to join in providing for public buildings or other public purposes.

Intercity contracts for fire protection, which will help solve the problems of small local governments, are made possible under new laws in Illinois, Iowa, Oklahoma, West Virginia, Nebraska, and Oregon. To further coöperation in police affairs, Kansas established a state bureau of investigation for promoting the exchange of information on criminals among local and state agencies. In addition, there are new laws to facilitate intergovernmental contracts on highway construction, personnel administration, pension plans, and other activities.

Local shares of taxes collected and funds administered by the state were increased in many states, among them Oklahoma, Utah, Kansas, Michigan, and North Carolina. In Kansas, counties will receive 30 per cent and cities 40 per cent of the cigarette tax. North Carolina increased the cities' and counties' share of the intangibles tax from 50 to 60 per cent. In other states revenue reallocations were from gasoline or motor vehicle taxes.

Among laws granting new general powers to cities were those in five states—Arizona, Idaho, Missouri, New Mexico, and Washington—permitting the creation of local housing authorities. Oregon by a new enactment allows cities to put money aside in sinking funds for construction of public improvements or purchase of equipment in the future. Partly in order to provide cities with more funds for law enforcement, Missouri and Oklahoma authorized them to levy license taxes on beer and liquor dispensaries.

State supervision of local government finance was increased in Alabama, Minnesota, North Dakota, and Iowa. The Minnesota act, the most inclusive, authorizes the state public examiner to collect local financial data, prescribe local financial forms, and upon request to install finance systems.

Interstate Control of River Pollution

Interstate commissions are taking administrative measures toward the control of pollution in three important rivers—the Delaware, the Potomac, and the Ohio—while awaiting the enactment of formal legislative compacts, according to the Council of State Governments. The importance of these drainage basins in the event of emergency conditions brought by war makes it more urgent to speed the present projects for the improvement of conditions, according to the council.

The Delaware River in particular is an important artery for industrial shipping. Under present interstate regulations the state health departments of Delaware, New Jersey, New York, and Pennsylvania are enforcing purity standards which would require industries to purify the wastes discharged from new facilities. Legislation to give continuing effect to the interstate agreement on the Delaware still awaits ratification by the General Assembly of Pennsylvania, which may consider it in a special session later this year. The legislation was drafted by the Interstate Commission on the Delaware River Basin, which has headquarters in Philadelphia.

The Interstate Commission on the Potomac Basin will set up headquarters in Washington, D. C., in the near future, the council reported. A compact establishing purity standards for the prevention of pollution has been ratified by the Maryland legislature, and will get legislative attention in Virginia in 1940 and West Virginia in 1941. The Pennsylvania legislature, which refused to ratify it this year, may reconsider it in a special session.

Uniform legislation to create an Ohio River Valley Sanitation Commission, and to set up minimum standards for the treatment of sewage and waste, has been ratified by the legislatures of five of the nine states concerned—Illinois, Indiana, New York, Ohio, and West Virginia. Since West Virginia made her ratification dependent on that of Pennsylvania, however, the compact will probably not go into effect until another state ratifies it. It will go before the Kentucky legislature in 1940.

Governmental Stimulation of Industry in Mississippi

The BAWI (balance agriculture with industry) program in Mississippi, born of a 1936 statute permitting public financing of new industries, after approval of an enterprise by the Mississippi Industrial Commission and of a bond issue by the electorate of a municipality, is credited with raising the value of the state's industrial production to exceed that of agriculture for the first time in 1938. Another industrial stimulus employed has been tax exemption. Chemurgic processes, such as that of making starch from sweet potatoes, developed as a federal emergency relief project in 1933 and taken over by a farm coöperative, have also increased production and employment.

Business Manager Appointed in Minnesota

Under the authority granted by the recent reorganization act in Minnesota, Governor Harold E. Stassen has appointed as commissioner of administration[1] 36-year-old Leslie Gravlin, who studied political economy at Hamline University and later worked with governmental research bureaus in St. Paul and Providence. In his new position he will have supervision, under the governor, of business and financial matters of the state, with broad powers corresponding largely to those of a business manager.

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[1] See NATIONAL MUNICIPAL REVIEW for July, page 495.

Citizenship Day in Illinois

Governor Henry Horner of Illinois has designated Sunday, October 15th, as "Citizenship Day" for 1939, under an act of the last legislature providing for the selection by the Governor of an October Sunday to "be observed throughout the state as a day for the holding of appropriate ceremonies for the preparation as citizens of persons who, during the period of twelve months prior thereto, have reached the age of twenty-one years." Widespread observance of the day is being encouraged by the Illinois Conference for the Celebration of Citizenship Day. The ceremonies held earlier in the year in New York City and in Wisconsin (particularly at Manitowoc) are pointed to as examples.

Arizona League Prints News

A printed magazine, *Arizona Municipalities,* has succeeded the mimeographed *Municipalities News* which has been the mouthpiece of the Arizona Municipal League since August 1937.

Correspondence Courses to Aid Administrators

The Institute for Training in Municipal Administration, 1313 East 60th Street, Chicago, Illinois, is now offering ten practical correspondence courses in the principal fields of municipal administration prepared especially for administrators on the job. The topics include the American city and its government, technique of municipal administration (beginning December 15th), and courses in the administration of municipal personnel, finance, public works, police, fire, planning, welfare, and recreation.

Merit System Applied to Social Security Administration

Just before adjournment on August 5th, Congress passed an amendment to the social security act that in effect will require states receiving moneys under the terms of the act to establish personnel standards on a merit basis for employees administering unemployment compensation, old-age assistance, and other social security programs, according to the Civil Service Assembly *News Letter.*

As provided under the terms of the amendment, after January 1, 1940, the Social Security Board shall make no certification for payment to any state unless it finds that the social security legislation of such state includes a provision relating to the establishment and maintenance of personnel standards on a merit basis, provided, however, that the board exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods.

New York County to Vote on Manager Plan

Tammany Fights County Reform

By PAUL W. WAGER

Onondaga County, New York, will vote on November 7th on a new charter prescribing the manager plan of government. The proposal also provides for the elimination of all elective officers except judges, six department heads to be appointed by the manager, and a county board of supervisors of ten members to be elected by proportional representation—five from the city of Syracuse and five from the country towns.

San Mateo County Seeks Charter Amendment

San Mateo County, California, is once again attempting to change its home rule charter.[1] In 1938, by popular vote, the county executive's position was made elective rather than appointive. A move is now under way to abolish that office entirely. On September 19th the Board of Supervisors instructed the district attorney to prepare an amendment to that effect, to be placed on the November 7th ballot. Outright repeal of the home rule charter is also being urged in some quarters.

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[1] See also "County Manager Government in California," by Robert C. Houston, NATIONAL MUNICIPAL REVIEW, February 1939.

These actions are the outgrowth of many months of disagreement between the county executive and the Board of Supervisors, culminating in a controversy over the appointment of a director of county health and welfare.

Suit to Fight Vote on County Reform

Tammany Hall and other Democratic organizations, reports the *New York Times*, are planning to sponsor a law suit to invalidate the petitions, promoted by Mayor La Guardia and a group of his supporters, that would place on the ballot this fall a referendum on the consolidation of county offices and county jobs.

Under the city charter changes in the structural form of the city government can be proposed by any group of voters, even if they fail to get the approval of the city council, provided their petitions, filed with the city clerk, total 50,000 names.

The petition is the first attempt that has been made to change the new city charter by popular referendum.

New York Town Loses its Capital

Dispossessed from Peekskill, where it has made its headquarters since 1788, the historic town of Cortlandt is seeking a new place within its corporate boundaries to establish town offices. The ouster results from the decision of Peekskill to secede January 1st from Cortlandt and become the fifth city in Westchester County, New York.

Although Peekskill has been the township's largest community in population, its secession will make only a nick on the township's northwestern edge. Cortlandt is about eleven miles long and five miles wide, and there is keen competition among the remaining communities to attract the town offices.

Heretofore Cortlandt township has had only one representative on the county board; now Peekskill will itself elect two supervisors and the residual township will continue to elect one.

New York County Will Sell Five Thousand Properties

Nassau County planned to put more than five thousand parcels of real estate on the auction block during the three weeks beginning September 23rd. They represent properties taken under foreclosure proceedings for tax delinquency, and they include single-family dwellings, apartment houses, and stores, as well as vacant lots, in practically every city and village in the county. It is stated that a clear title can be offered to each purchaser in the form of a warranty deed upon which various title companies stand ready to issue policies of title guarantee, the county itself having acquired a good deed. The declared policy of the county is to let a parcel go just about as soon as the upset price, represented by the taxes due, is reached. As little as 20 or 30 per cent down payment is accepted though a 5 per cent discount is offered for a cash payment.

The wisdom of dumping so many parcels on the market at one time might well be questioned and also the wisdom of selling the properties too far below their true value. Apparently the fear of being criticized for profiting from tax delinquency has caused the county to overlook the depressing effect which the sale of several thousand parcels at bargain prices will have on the rental value of the non-delinquent properties.

A State Department of Justice in North Carolina

July 1, 1939, witnessed the establishment in North Carolina of the State Department of Justice authorized and provided for by the last General Assembly. An amendment to the state constitution, approved in November 1938, removed any potential constitutional obstacles in the way of such a department.

The Department of Justice is under the supervision and direction of the Attorney General. Provision is made for three divisions. A division of criminal and civil statistics is to collect and correlate information in respect to criminal law administration and the operations of all agencies and institutions charged with the supervision of offenders on probation, in penal and correctional institutions, and on parole. This division is also to collect information on the operations of the various civil courts and quasi-judicial tribunals. It is instructed to make scientific study, analysis, and comparison of the information so collected with similar information gathered by federal agencies.

A second division, designated as the division of legislative drafting and codification of statutes, is to prepare bills to be presented to the General Assembly and to supervise the recodification of all of the statute law of the state and then to keep such code up to date.

The third division, to be known as the bureau of investigation, is to supplant and continue the work begun by a bureau of investigation and identification set up in 1937. It is primarily to aid the local police in apprehending criminals, and bringing them to justice, though it may also aid in prosecution.

The State Department of Justice, for which North Carolina is erecting a fine new building, represents another centralizing tendency, though one that can hardly be avoided if there is to be adequate crime control.

War Economy Complicates Local Finance

"Ham and Eggs" Again on California Ballot

By WADE S. SMITH

Although there is every indication of almost unanimous determination to keep the United States apart from the European war which began on September 3rd, certain aspects of the situation abroad, as they may affect the finances of local government here, merit attention. Conflict on a large scale and of long duration, which now seems likely, must inevitably dislocate to greater or less extent all economic activities in the neutral nations, and we are already feeling it in this country.

Most sensitive to war conditions, of course, and hence first in affecting local finances, is the disruption of the money market. Although the gyrations of the stock market were mild in comparison with those experienced in 1914, a boom in "war babies" was under way even prior to the time war was formally declared, and interest rates rose sharply. For state and municipal units this meant an immediate decline in bond prices, with a consequent higher net interest cost on new bond issues sold after the break. *The Bond Buyer's* index of municipal bond yields, computed for long term obligations of the nation's twenty largest cities, rose from 2.67 per cent at August 1st to 3.21 per cent at September 1st, with the market at the latter date sluggish and a reported wide spread between bid and asked prices. The twenty-bond average was off 55 basis points from the year's high, or about where it stood prior to the advent of abnormally low interest rates in 1936.

Cities which came into the market with new bond offerings after war was declared suffered sharply in comparison with prices which they had been securing previously. The state of Mississippi on August 31st rejected a bid with a net interest cost of 3.62 per cent on $5,000,000 highway bonds, reoffering them with a consequent best bid of 4 per cent for $2,000,000 and an option on the balance as 4s and 3¾s. Providence, which a year ago was selling its bonds as 1¾s, and a few months ago as 2s, could get only 3 per cent for a ten and one-half year average maturity offering. Numerous cities and other local units announced that no bids had been received on offerings made after September 1st, while a large number of sales were postponed or bids rejected.

Basically, of course, some increase in interest rates to municipalities has been indicated for some time. That the cost of municipal borrowing will immediately reach the *Bond Buyer's* high of 5.69 per cent of May 1, 1933, is most unlikely, however. Excess bank reserves remain large, substantial competition for high grade municipals still exists among fiduciary and trust agencies, where safety rather than yield is the primary consideration, and there is not as yet sufficient demand for capital from business and industrial concerns to push municipals to one side.

Since municipalities have borrowed at a lesser rate this year than last, when much borrowing was done in anticipation of 1938 federal works program needs, dealers have "kept their shelves clean," and the supply has managed generally to keep behind demand. Hence, the prospect at present is for further moderate increases in interest costs to local governments, but without any appreciable drying up of cash reservoirs eager to take municipal obligations.

Should the United States become involved in the war, or should there begin large-scale industrial expansion to supply either munitions or other commodities to the belligerents, it is quite possible that the local governments may find themselves squeezed when they go into the money market. In this case, the reappearance of 5, 6, and 7 per cent interest coupons on even fairly high grade municipal bonds is not an impossibility. The extent to which interest costs rise, however, would obviously depend on the extent to which industrial requirements ate into the cash and investors' reserves, and the more serious situation could be anticipated in the event the federal government declared war and began to borrow for large-scale war needs. In the latter eventuality, however, municipal capital programs would undoubtedly be temporarily stopped, and only a minimum of municipal borrowing would be done. In the post-war era, considerably higher interest rates are to be anticipated, whatever the action of our own country, so it seems safe to assume that local budgets are going to include increasing interest costs for whatever local borrowing is done over the next three, five, or ten years.

As serious in its effects on local budgets, although not yet demonstrable with comparative figures, is an anticipated increase in the general price level, which will mean that the local governments in company with plain John Citizen will have to pay more for the commodities they buy. Such increases as are experienced during the balance of the current year are not likely to be important in unbalancing budgets, but small increases for 1940 budgets are quite likely if budget officers plan prudently for prospective requirements.

On the other side of the ledger, of course, is a prospective lessened expense which will result to the extent that those now on relief rolls are drawn back into private employment in case a "war boom" of any proportions develops. Such reduction, however, is apt to prove less important than many anticipate, since it is generally acknowledged that a fairly high percentage of the direct relief rolls represents unemployables, while such welfare items as old-age pensions, aid to dependent children and the blind, etc., would be affected not at all or would require increases to offset the rising cost of living which is inevitable if a real "war boom" develops.

A further possible cost to municipalities, but one which is not likely to be experienced on any wide scale, is that of installing facilities actually made necessary because of federal war-time activity. Many of our larger cities are still paying off bonds for various public works constructed during the last World War at the behest of the federal government (Tacoma's belt-line street railway to service the dock area, which has lost money ever since, is a case in point), while not a few counties and cities have in the last year or two issued bonds or utilized current funds to provide sites for army air bases, training schools, and the like, demand for which will be accelerated if we are placed upon a war economy.

All apart from direct repercussions on municipal finance, the European war is not unlikely to present administrative problems which will be accompanied by financial demands. Already several of our larger cities, including New York City, have placed their police forces on a modified emergency basis to provide protection to foreign consulates, police public gatherings, and investigate "espionage."

Everything considered, and even if the United States happily manages to keep its skirts free from actual entanglement abroad, local governments are likely to be faced with increased costs and unusual service demands during the next few years as a result of the war. The situation may even present a rather searching test of the ingenuity of fiscal officers and other local administrators.

"Thirty-Thursday" Back in California

The "Thirty Dollars Every Thursday" scrip pension plan, which was narrowly defeated by California voters in the fall of 1938, is back again on the ballot for November 7, 1939, in refurbished and enlarged garb. The 1939 version contains all the salient points of the 1938 plan, and in addition proposes a state bank to handle scrip transactions, which bank shall be the "sole depository" of the state and its municipal subdivisions.

Renewed agitation for enactment of the constitutional amendment, establishing a thirty-dollar weekly scrip pension for unemployed and retired citizens over fifty years of age, was accompanied by an immediate drop in prices on California and municipal bonds in the state, and in recent weeks local units there have been successively rebuffed in their efforts to raise money. In August the state sold an issue of short-term warrants totaling nearly $3,000,000 at 4¾ per cent interest with an infinitesimal premium. Offerings since then have resulted in no bids. Los Angeles attempted on September 20th to dispose of $3,000,000 water and power department general obligation bonds, and drew a blank with no bids offered. Similar experience has been shown by lesser units in recent weeks, although the situation is perhaps complicated to some extent by the fact that the bond market has been otherwise disrupted as noted in the preceding paragraphs.

Civic and business organizations throughout the state are fighting the proposal bitterly, and are being joined by organized labor, which last year supported the plan in return for pension advocates' support of labor legislation. The outcome, however, is expected to be close.

Forthcoming P.R. Elections

New York to Choose Second P.R. Council
Five Other P.R. Contests
Five Votes on Adoption

By **GEORGE H. HALLETT, JR.**

The second use of proportional representation in New York City is scheduled for November 7th under conditions differing greatly from those of its first use two years ago. Instead of being subordinated to an exciting mayoralty contest, with a large number of other important contests taking place at the same time, this year's council race will hold the center of the stage. Several judicial posts are to be filled also, Brooklyn elects a district attorney, sheriff, and register, and Staten

Island a sheriff, and there are referenda on pari-mutuel betting and county government reorganization; but this adds up to very little in the way of distraction as New York elections go. The vote will be lighter, but it should be possible to get more attention for the new method of election and its possibilities. Civic leaders are therefore hoping that the encouraging start made last time can be improved upon in the second council.

The number to be elected will not be known until the vote is in, for under the special New York plan of automatic proportional apportionment each borough elects as many councilmen each time as it polls multiples of 75,000 valid ballots, with an additional councilman for a remainder of 50,000. The present council consists of twenty-six members. The new council, since it is being elected in an off-year, is not expected to be much in excess of twenty.

The Citizens' Non-Partisan Committee, headed two years ago by Samuel Seabury and this year by Thomas D. Thacher, who was chairman of the charter commission which presented the new charter and P.R. to the voters in 1936, is presenting a fusion good government ticket again. The committee and its candidates are in general sympathy with the present non-partisan city administration. The ticket is shorter this time, consisting of six of the ten councilmen elected from the same ticket two years ago and fourteen others, divided among the five boroughs which form the P.R. districts. The ticket includes a considerable number, but not all, of the candidates of the Republican, American Labor, and City Fusion parties and several independent Democrats. All of the candidates will have the committee's designation after their names on the ballot this year, as they did not two years ago, so that it will be easier for voters to support the entire ticket if they wish to do so.

The Democratic organization, which organized the present council after a battle on the strength of just half the council's membership, is putting forward a non-overlapping ticket in every borough. The composition of the organization has been modified since the last election through the capture of its control in Queens by the insurgent group which elected two of the opposition councilmen, now included on the regular ticket.

The last date for filing nominating petitions is October 10th. Indications are that there will be many fewer aspirants than at the first election, when the Brooklyn list reached the surprising total of ninety-nine. This will make it correspondingly easier to center attention on the real contenders.

The P.R. counters are to be paid by the job instead of by the day, which is expected to reduce the time and expense of the count considerably.

A Joint Civic Committee on the Council Election, successor to the P.R. Joint Committee, has been formed with Mrs. Leopold K. Simon as chairman "to encourage registration and intelligent use of P.R." The committee represents most of the leading civic organizations of the city. It is circulating popular illustrated leaflets, sending out P.R. speakers, and carrying on other activities to emphasize the importance of this election and improve the popular understanding of the P.R. method and its opportunities.

First P.R. Campaign in Yonkers

While New York is preparing for its second P.R. election, the city of Yonkers, its next-door neighbor on the north, is preparing for its first. The Yonkers and New York P.R. rules are almost identical except that Yonkers elects at large, has no party or other designations on the P.R. ballots, and uses a fixed quota of 10,000 instead of 75,000. A council of five is expected. A special rule to keep the number uneven and thus avoid deadlocks calls for five members if the total valid vote is between 40,000 and 60,000 and seven if the vote is between 60,000 and 80,000, which is barely possible.

There are three tickets in the field. The Republicans and Democrats have each nominated four. The City Manager League, which sponsored the present P.R.—manager charter, has taken its cue from the corresponding groups in Cincinnati, Toledo, and Hamilton and put forward an entirely separate non-political ticket of six. There are also several unattached independents.

Cincinnati's Eighth P.R. Council Campaign

Cincinnati's eighth proportional representation election will be held November 7th when the voters of the nation's second largest "P.R. city" elect nine councilmen to direct municipal affairs in 1940 and 1941.

Nominating petitions for twenty-nine candidates had been accepted by the Board of Elections when time for filing expired September 7th. Included were the two major tickets of nine each, representing respectively the City Charter Committee, the city management-P.R. group made up of independent Republicans and Democrats, and their traditional enemies, the local Republican Organization. Eleven independents also filed, among them being Herbert S. Bigelow, who announced his candidacy just before expiration of filing time. In 1935 Bigelow ran for council and was elected through support of the sky-rocketing Coughlin movement. He is expected this time to link his campaign with an appeal for an increase in the state's old-age pension grants.

Charter forces, jubilant after their successful defense of P.R. in the second raid thereon by anti-charter politicians last June, are forming a strong campaign committee under the chairmanship of Harry Drackett, nationally known manufacturer on whom has fallen the mantle of leadership from the late Henry Bentley. Ex-Congressman Captain Victor E. Heintz and former Mayor Murray Seasongood have also come forward to lend assistance. Only missing veteran of the organization is Mrs. Mark G. Feder, research division chairman, who was a voyager on the ill-fated *Athenia*, and with other survivors was marooned on the Scottish coast.

Special headquarters have been opened on the top (forty-fifth) floor of Cincinnati's Carew Tower, where daily meetings of the leaders of the volunteer units, the men's and women's divisions and the speakers bureau, have been scheduled for the duration of the campaign.

Newspaper observers in the early stages of the campaign have given the Charter ticket an edge on chances of election of a majority on November 7th. Thus far, sole argument produced against the Charter record has been an appeal to the independent Republicans who have constituted an important segment of the Charter organization and Charter vote. This appeal is based on Cincinnati's traditional Republicanism in national affairs and a warning that "a vote against the Republican council ticket is a vote against the Republican national ticket in 1940."

This, Charter leaders are pointing out, is identical with the tactics of machine-controlled organizations in other cities, and a complete exposé of the fallacy has been prepared. Meanwhile the Charter candidates are promoting the facts concerning the Charter Committee's fourteen-year fight to improve Cincinnati governmental conditions, and are basing their confidence on this record and continuing enthusiasm of their volunteer workers' organization.

Forest Frank
Cincinnati City Charter Committee

A New Charter League in Hamilton

In preparation for the seventh P.R. election in Hamilton, Ohio, twenty-five miles north of Cincinnati, the old "charter commission" group has been enlarged and reorganized under the name of the Charter

League of Hamilton. Until the last election the charter commission which presented the P.R.—manager charter to the voters in 1926 and its successors had elected a high grade majority of from four to six out of seven councilmen at every election. In 1937 the leaders of this group decided to make the elimination of gambling the chief issue. Several of their councilmen differed and were omitted from the ticket. Thereupon the Democratic organization nominated them and they were elected anyway. Nominally the charter group got only two out of seven, but the entire council elected consisted of former charter councilmen and the city's phenomenal good government regime continued unabated. The reorganized Charter League, which includes the former charter leaders, is sponsoring a ticket closely resembling the successful charter tickets of former years. Its chairman is W. P. Watson, a prominent business man; its vice-chairman Miss Ella Mae Cope, a member of the original charter commission.

Toledo City Manager League in the Field Again

Toledo, Ohio, is about to hold its third P.R. election and the City Manager League, which elected a majority of the members of the city council at each of the previous elections, has launched its third council campaign.

The league, an outgrowth of the charter commission which was instrumental in establishing council-manager government in Toledo in 1935, on September 11th announced its endorsement of nine candidates for the nine seats to be filled.

The league's ticket this year is representative of all sections of the city and all groups of citizens. Business and labor are represented, as well as the legal and engineering professions.

Before the league announced its endorsements, a meeting of the nine candidates and the league's executive committee was held, at which the nine pledged themselves to abide by all the principles of good government and stated that they would be staunch advocates of improved municipal administration under the city manager—small council charter.

Present at this meeting, at the league's invitation, was Dr. A. R. Hatton, authority on city manager government, who explained to the prospective councilmen methods and practices which should be followed to obtain the best results from city manager government.

Immediately following public announcement of the slate, the league launched an intensive campaign for election of its candidates, which it plans to pursue up to election day on November 7th. A director of organization is on the job, a downtown headquarters is open, and a large staff of workers, both in headquarters and in the field, is being assembled.

There are forty-two candidates qualified in the race for council. The league endorsed only two of the seven incumbent councilmen who are seeking re-election. There is feeling among some citizens that this was a dangerous tactic, since some of those who are not endorsed are conceded an excellent chance of re-election. After a careful survey of individual records, however, the league decided to stand or fall on the principle of good government and not to yield to arguments of political expediency.

Richard P. Overmyer
Toledo City Manager League

Boulder's Twelfth Use of P.R.

The little university city of Boulder, Colorado, which has used P.R. longer than any other city in this country, is about to hold its twelfth P.R. election. It has elected three members of its council of nine by P.R. at large every second year since the method was first adopted, with the city manager plan, in 1917.

Five Votes on Adoption

Four votes on questions involving the

adoption of P.R. are now definitely scheduled for this fall in the state of New York.

The city councils of New Rochelle, White Plains, and Schenectady all voted to put the proposed P.R. charter amendments on the general election ballots in response to the 10 per cent petitions filed in their respective cities without waiting for the supplementary 5 per cent petitions which would have forced the proposals to a vote under New York's city home rule law. In each of these cities P.R. is being opposed by the dominant Republican organization, and supported by the independent and Democratic minorities with what is considered a good chance of success.

As reported in our last issue there is to be a vote also in Onondaga County, New York, where a P.R.—county manager proposal has been brought forward by the Democratic minority and is gaining independent support.

Word comes as we go to press that Waterbury, Connecticut, voting on October 3rd, defeated its proposed P. R.-manager charter.

A TAFT IN CITY HALL

(Continued from Page 697)

terested in people, and about the only thing that riles him is the indifference that means cruelty to people in trouble.

He will go about his re-election like a practical politician, not a philanthropist. "I've got an office with two girls working all the time," he says. (The election will be held in November.[3]) "I clear with the City Charter Committee, of course, and all the charter candidates run on the same platform, but I run my own campaign. I'd have some contacts, you see, that wouldn't be available to the rest of the candidates."

Contacts? Bankers? Millionaires? Industrialists? Well, he knows them and most of them like him personally. But that wasn't what he meant.

"For instance, I represent locally the Amalgamated Clothing Workers, Sidney Hillman's union, a CIO affiliate," he continues casually. "I led the fight for the housing ordinance last November, and so I have a good many building trades friends. I'm active in church work, a member of the organizing committee of the new World Council of Churches, and I have many friends in the YMCA and the Community Chest."

He writes all his own speeches and publicity handouts. "I know the newspaper people myself, and I know what they want. A friend of mine who runs the *American Israelite* has volunteered to help on the publicity."

He does not think Cincinnati government is perfect. Yet he is firmly convinced that Cincinnati has good government and that it has honest government. The reason he is interested in being a member of the council is to help give the city even better government. He is not looking for an immediate millenium. Of the (local) Republican party's attempt last spring to have P. R. abolished he said, "We've licked them now. They'd be foolish to try again. In the near future, I mean. Nobody can tell what will happen in a few years!" He shook his head. It is obvious that in the lexicon of Charles P. Taft eternal vigilance is the price of liberty, and he will never question his own duty to stay up all night watching.

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[3] See also "Cincinnati's Eighth P. R. Election," p. 746.

Books in Review

EDITED BY ELSIE S. PARKER

Local Government Debt Administration. By Carl H. Chatters and Albert M. Hillhouse. New York City, Prentice Hall Inc., 1939. xii, 528 pp. $5.00.

This is a thoroughly practical book on a very important phase of municipal administration. Studied and applied by municipal officials it will help to reduce the cost of borrowing for their governments and may well serve as a means of avoiding financial embarrassment. It should prove equally useful to municipal bond dealers, bond attorneys, and investors in municipal bonds, particularly because of the forthright way in which it identifies their interests with sound debt administration. Students of public finance and of local government will find in this volume an authoritative and genuinely valuable addition to their fields of interest.

The experience of recent years has produced very substantial evidence, not only that safe standards and practices for public borrowing have been inadequately diffused and followed but that some standards still remained to be formulated. The authors have proceeded from a frank recognition of this state of affairs. They devote little space to abstract theory but base their treatise directly on the problems which the years of the depression disclosed.

Among the best features of the book—and they make it an indispensable handbook for municipal finance officers—are the specific and detailed rules and suggestions for the sale of bonds and the insuring of prompt payment. These begin with choosing the best time to sell bonds and range through such items as the essential steps prior to the sale, preparing the market with appropriate publicity, actual conduct of the sale and delivery of the bonds, to the types of bond records which should be kept, the proper handling of bond revenues, and the administration of sinking funds. Fifty figures and tables serve particularly to illustrate and clarify these procedures.

The broader aspects of debt administration receive equally thorough and realistic treatment. The long neglected but important factor of debt structure is given new significance. Chapters are devoted to the control of short-term borrowing, the judicious limits for special assessment bond financing, the financing of municipally owned utilities, and standards for public reporting. The discussion of debt management in financial crises, drawn directly from recent painful experience, prescribes remedies which belong in the permanent reserves for ready reference. A final chapter on the formulation of a debt policy is a commonsense dissertation on safe standards and foresighted planning which not only finance officers but all progressive municipal officials and students of government will appreciate.

Frederick L. Bird

America in Midpassage. By Charles A. Beard and Mary R. Beard. New York City, The Macmillan Company, 1939. 977 pp. $3.50.

Who's Who credits Charles A. Beard with only sixty-five years, yet he was introduced at a recent dinner as the "beloved philosopher of the Connecticut hills," and the dinner guests rose to their feet and applauded with an enthusiasm that shook the cutlery.

There is no "reviewing" the works of Charles and Mary Beard, almost in the same way as there is no "reviewing" the works of William Shakespeare. Beard has the advantage over Shakespeare of being alive, and of being invested with the warm glamor of a life starred by a colorful incident in the defense of academic freedom and by the advocacy and sponsorship of reforms and ideas dear to the forward-thinking persons of today.

Certainly Beard has never written "unbiased" history, and *America in Midpassage,* being of a period within the memory of almost every present reader, may appear to be less unbiased than any of the former Beard works. But if the reader's prejudices are the same as the prejudices of Beard—and it is hard for those who were intellectually weaned on Beard works to escape that identity—the most one can say in the way of a review is that "I suppose all this is colored by his own decided notions but I don't mind it because I agree with him."

The Beard style has not changed in this newest work, which deals with America from 1929 to the present. The lusty, ever-present cultivated sense of humor, the gift of generalization without vagueness and of detail without repletion, are still there, as they were in the first two volumes of *The Rise of American Civilization.* (This one, of course, is the third.)

As for the point of view, it is still strongly tinged with the economic interpretation of politics; it is by and large pro-Roosevelt; and it retains its love for the people of this country.

Perhaps the first two volumes of *The Rise of American Civilization* were better than this one. Nine hundred seventy-seven pages may be too much for a scant ten years. The perspective blurs a little, perhaps because the reader is too close to the period. Nevertheless, *America in Midpassage* is one of the Beard works. Like Spode or Rembrandt or Shakespeare, there is no gainsaying it.

M. R.

State Aid and School Costs. By Alonzo G. Grace and G. A. Moe. New York City, McGraw-Hill Book Company, Inc., 1939. xv, 400 pp. $3.50.

This volume is in two parts, the first dealing with state aid and the second with school costs. Part I gives an excellent history of school financing in New York State, followed by a detailed account of the present administrative organization of the system and the methods of apportioning state aid. Criticism is directed, not so much at the distribution formulas, as at the local administrative organization through which state aid operates.

Part II presents much factual material, showing a wide range of costs from district to district not all of which is justified by differences in educational achievement. In fact, the evidence shows that important savings could be made without any reduction in educational standards. Some savings, such as a state system of insurance, would be possible under the present setup. Most of the savings indicated, however, could be achieved only through redistricting.

Redistricting is the fundamental thesis of the book—the first requisite for economy and for improved state aid. It is suggested that the more than eight thousand districts now in existence be reduced to aproximately five hundred.

The redistricting accomplished, it is proposed to revise the entire system of state aid. The equalization principle would be retained, but the present aids would be replaced by a single standard. The amount of state aid for each district would be the difference between the "cost of the maximum approvable program" multiplied by the "number of weighted pupils in the district" and the yield of a 5-mill tax on equalized valuation. The cost of the maximum approvable program takes into account "the (1) nature and extent of the curriculum, (2) teacher load, (3) salaries, (4) special services . . . , (5) number of periods per week and length of periods, (6) equipment and supplies, (7) library facilities, (8) plant program, and such other factors as may influence the total school program" (page 253). This "means that New York State will base equalization of educational opportunity . . . upon a *program of education* rather than upon a *sum of money*." Pupils in the district are defined as "pupils belonging from the kindergarten through the twelfth grade, . . . rather than pupils in average daily attendance or registered. Weighting should be in terms of age group rather than in terms of educational level" (pages 253-54).

This is a marked departure from accustomed paths. Where does it lead? The reviewer has become lost in a fog. Is the first factor described uniform for all districts, or does it vary from one district to another? And in the end can it be anything but a sum of money, even though it be a variable sum? What is meant by "pupils belonging"?

The reviewer is also puzzled by the retention of the 5-mill requirement in the compromise reforms, recommended in the absence of reorganization (page 234), in view of the apparent condemnation of this requirement as "fundamentally antagonistic to the principle of equalization" (page 163) and the seeming approval of a 3-mill substitute (page 169). One final criticism. Some of the graphs (especially chart 9, page 322), violating commonly accepted graphic practice as they do, tend to confuse rather than clarify; and the occasional misspelling of authors' names in the footnotes and index (e.g., pp. 114, 218, 393, 394, 396), will mislead the student who wishes to investigate the problem further.

These shortcomings should not be stressed unduly. It should rather be emphasized that the study is well organized and sound in its general conclusions. It is just because it is probably destined to influence the state educational system for the better that the reviewer regrets that a little more care was not taken in the final presentation to make it consistent and clear beyond misunderstanding.

Mabel Newcomer

Vassar College

The Book of the States 1939-40 (vol. III). Chicago, The Council of State Governments, 1939. xix, 454 pp. $3.50.

An invaluable companion volume to the similarly invaluable *Municipal Yearbook* is *The Book of the States* for 1939-40. This is the best of the three editions, the most packed with the kind of facts which are tedious to compile and priceless to have. Dr. Bane, executive director of the Council of State Governments, says in his foreword: "The purpose of *The Book of the States* is twofold: first, to provide an authoritative source of information on a wide range of state activities; and, second, to report the activities of the Council of State Governments and of the various conferences held under its auspices."

To allow for an expansion of the reference material, the minutes of the conferences have been condensed in this edition. Among the many new features are discussions of present status, recent advance, and trends in fields of importance such as (to name only a few) social security, labor, public welfare, savings bank life insurance. *The Book of the States* has taken a far more substantive turn in this new edition. The lists and enumerations are still there, but there is also comprehensive material of an encyclopedic nature.

M. R.

Additional Books and Reports Received[1]

Civil Service

Civil Service Law. Oliver P. Field. Minneapolis, University of Minnesota Press, 1939. ix, 286 pp. $5.00.

Federal Government

Our Federal Government and How It Functions. By Federal Writers Project of the Works Progress Administration.

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[1] See also "Research Reports Received," page 731.

New York City, Hastings House, 1939. x, 234 pp. $1.75.

Housing

Design of Low-Rent Housing Projects. Planning the Site. By United States Housing Authority. Washington, D. C., Superintendent of Documents, 1939. 84 pp. Sixty cents.

Municipal Government

Municipal Legislation of 1939. A Review of State Legislation of Interest to Municipalities. Chicago, The American Municipal Association, 1939. 35 pp. Mimeo. One dollar.

Municipal Self-Government in Britain. A Study of the Practice of Local Government in ten of the larger British cities. By George Montagu Harris. London, P. S. King & Son, Ltd., 1939. x, 342 pp. 15s.

Planning

From the Ground Up. By New England Regional Planning Commission. Boston, National Resources Committee, Regional Office, 1939. 54 pp.

Purchasing

Purchasing for Small Cities. By Russell Forbes and members of the staff of Public Administration Service. Chicago, Public Administration Service, 1939. 22 pp. Fifty cents.

Taxation and Finance

Accounting for Public Property. By Municipal Finance Officers' Association. Chicago, 1939. 48 pp. Fifty cents.

Analysis of Taxable Corporation Income Tax Returns Filed in 1937 and 1938 on Previous Years' Incomes. By Division of Research and Statistics. Oklahoma City, Oklahoma Tax Commission, 1939. v, 69 pp. mimeo. Charts.

An Analysis of Delinquent Taxes in Relation to Valuation. Classification of Delinquent Properties and the Effect of the Whittemore Act to Delinquent Taxes for Lucas County, Ohio. By Hale T. Shenefield, Auditor of Lucas County, Ohio. 248 pp. mimeo. (Apply author, Toledo, Ohio.)

Consumer Taxes. By Tax Policy League. New York City, 1939. 18 pp. mimeo. Twenty-five cents.

County, City and Town Government in Tennessee, 1938 Per Capita Statements, the Taxpayers Report Upon the Third Annual State-wide Survey of. Nashville, Tennessee Taxpayers Association, 1939. 100 pp.

County of Erie, New York. Financial Statement, Statistical Data and Essential Facts. By Charles Ulrich, County Treasurer. Buffalo, New York, 1939. 39 pp.

Digest of State Laws Relating to Net Income Taxes 1938. Compiled by Robert H. Holley, under supervision of C. E. Rightor. Washington, D. C., Government Printing Office, 1938. iv, 133 pp. Twenty cents.

Enforcement of Real Estate Tax Liens and Constitutional Barriers to Remedial Legislation for Tax Delinquents in Each of the United States. By Louis F. Alyea. Chicago, Municipal Finance Officers' Association, 1939. Charts. Thirty-five cents.

Financial Statistics of Local Governments in Oklahoma for the Fiscal Year Ending June 30, 1938 (with comparisons to Previous Years). By Division of Research and Statistics, Oklahoma City, Oklahoma Tax Commission, 1939. vii, 150 pp.

Local Taxation and Housing. Majority Report of Taxation Committee of the Citizens' Housing Council of New York. New York City, Tax Policy League, 1939. 72 pp. mimeo. Fifty cents.

NATIONAL MUNICIPAL REVIEW

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Priscilla C. and Howard M. Kline

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C. Herman Pritchett

County Disorganization for North Dakota

Kenneth Wernimont

Where to Put the Traffic Engineer

John Ackermann and John Thurston

Colorado Civil Service Commissioners Impeached

James Donald McBride

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NATIONAL MUNICIPAL LEAGUE

The League's Business

Newest Staff Member

This month the League was fortunate in being able to add to its staff another full-time field representative—Mr. Elwood N. Thompson. Mr. Thompson is a graduate of the University of Nebraska where he specialized in political science and law. He later studied at Columbia University where he was awarded the Pulitzer traveling scholarship, to spend a year abroad, by the Columbia University School of Journalism. Mr. Thompson worked with Dr. Luther Gulick of the Institute of Public Administration in 1935, handling publication and promotional material in connection with the famous "Better Government Personnel" study. He also served on the staff of the New York State Commission for the Revision of the Tax Laws. For the last three years Mr. Thompson has been in Washington with the Associated Press, preparing interpretive features on the operation of the federal government.

Report of the Nominating Committee

The nominating committee appointed by President Dykstra last month will make the following report at the League's annual meeting:

New Members of the Council.—Miss Anne M. Mumford, Haynes Foundation; Robert C. Hendrickson, president of the New Jersey Senate; Harry Drackett, president of the Cincinnati City Charter Committee; Robert W. Johnson, New Brunswick, New Jersey; Henry L. Shattuck, Boston; Professor R. J. Colbert, University of Wisconsin; Sevellon Brown, editor of the *Providence Journal;* Philip Cornick, Institute of Public Administration; H. B. Wells, president of Indiana University; Colonel Henry M. Waite, Washington, D. C.

Additions to Honorary Vice Presidents.—Frank H. Morse, Lehman Brothers, New York City; William E. Mosher, Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University; John G. Winant, director of the International Labor Relations Board, Geneva, Switzerland; Charles P. Taft, city councilman of Cincinnati; Harold S. Buttenheim, editor of *The American City.*

Members of the nominating committee are: William C. Beyer, *chairman,* Carl H. Chatters, S. V. Norton, John F. Sly, Morton L. Wallerstein.

Wide Interest in Minnesota

Dr. P. P. Womer, president emeritus of Washburn College, who is spending full time in the field promoting the organization of local citizen groups and advising groups already in existence, reports enthusiastic interest in the program of the National Municipal League from Minnesota. As a result of Dr. Womer's work, the League has within the last month obtained sixteen new members in Minnesota in addition to a number of contributions.

Howard P. Jones, *Secretary*

National Municipal Review

Editorial Comment

Boss Rule Is Cheap (?) in Memphis

JUDGED by usual tests of a material nature — taxes, debt, quality of services, ability of personnel, etc.—Memphis isn't a badly operated city. Yet everyone in Memphis and everyone away from there who is at all interested knows Memphis is a "boss run town."

It is said that many people of superior intelligence and position in Memphis take a "so what" attitude. "Whoever actually runs the city, it's well run, isn't it?" they say, "and the cost is reasonable." Besides, those who have something to lose don't like to tangle with the boss in Memphis any more than they do in Jersey City or used to in Kansas City.

Maybe the cost is reasonable enough in dollars and cents. Maybe, on the other hand, it isn't. The people of Memphis, who have cheerfully abrogated their privileges of citizenship, may not be in a very good position to know.

Recently petitions were circulated in Memphis for the nomination of a candidate for mayor. The outside world was amazed to learn that the name of the candidate was left out—to be filled in later when the boss made up his mind. But the people of Memphis were neither surprised nor resentful. Enough of them actually signed, not knowing whom they were supporting!

So what about the cost to men's minds? What about the cost to the ideal of self-government which is supposed to find its last great stronghold in this country?

Seeking a Pattern for Amateurs

MANY communities obtain relatively good government without much effort. Some of these have never had real political spoils machines, others have well established traditions which encourage the ablest persons to accept public service as an honor, others have never lacked honest leadership, and still others have opposing political factions so evenly matched that the "outs" are always ready to become the "ins" whenever one side slips.

Whatever the reason, these communities are fortunate, especially if their people are actively and largely participating in the democratic processes—influencing the preliminary choice of candidates (instead of letting them be hand-picked in the well known "smoke-filled room"), getting out substantial votes on candidates and issues (instead of letting such matters go by default with 28 to 50 per cent of qualified voters going to the polls as so often happens), avoiding the temptation to be lulled into a sense of complete satisfaction with the status quo.

But in most communities conditions are not so apparently ideal. Whether the city is in the grip of a corrupt, plundering machine (as some still are) or whether it is simply the victim of poor housekeeping or petty favoritism, it usually takes drastic, positive action on the part of an aroused citizenry to gain improvement. This action appears in the form of nonpartisan citizens organizations determined to end abuses and to set up safeguards against their revival in the future.

Such organizations usually are in the hands of "political amateurs," naturally enough, because the custodians of the status quo aggressively prefer things the way they are. The need for organizational patterns to be followed by these "amateurs" has long been felt and only partially provided. As one contribution toward filling this need, the National Municipal League at one of its sessions at the forty-fifth annual National Conference on Government at Indianapolis, will conduct a clinic to examine various of these organizations to attempt to identify the elements that make them work.

There are so many types of such organizations and such a variety of problems facing them that it obviously would not be possible to provide every kind of laboratory subject at the conference. But civic leaders from half a dozen places where notable or pioneering efforts are being made will speak. Their talks will be followed by a general discussion in which many other civic leaders will participate.

There should be a nation-wide and exhaustive survey of citizens organizations to determine what helps them to accomplishment or what keeps them from attaining their goals; and discussions such as the impending one may bring us a step nearer such a survey. Efforts here and there by independent-minded citizens to recapture their governments fail frequently less from lack of desire and worthy purpose than from lack of pattern.

Streamlined County Government —Los Angeles Style

Relieved of hopelessly minute details by its recently appointed chief administrative officer, County Board of Supervisors is well satisfied with past year's experience; may take steps to incorporate new office in county charter.

By JOHN McDIARMID
University of Southern California

SEPTEMBER 9, 1939, marked the first anniversary of Los Angeles' historic effort to provide more efficient and economical county government by means of a single administrative head. One short year earlier Colonel Wayne R. Allen had rolled up his sleeves as "chief administrative officer" and had begun the task of justifying both the office itself and his own selection.

Within the past decade Angelenos had not been entirely ignorant of the advantages of manager government. Concrete proposals for a Los Angeles county manager had appeared in reports of the California Commission on County Home Rule (1930), the Committee on Administration of the Los Angeles Grand Jury (1933), and the Committee on Governmental Simplification (1935). Support for a charter amendment grew among various civic groups, and the Board of Supervisors seriously considered the presentation of the desired proposal to the voters in November 1936. Successful impetus, however, was given the manager idea in the summer of 1938 when members of the Board of Supervisors, and particularly Chairman Roger W. Jessup, were greatly impressed by the work of the chief administrative officer of the city-county of San Francisco. A unanimous board provided by ordinance for the experiment which Colonel Allen launched on September 9th.

THE OUTLOOK

Several important factors colored the outlook and heightened the significance of the plan. In the first place, Los Angeles County had an estimated population of 2,700,000, an area of 4,083 square miles, an annual budget of around $80,000,000, some fifty-odd governmental departments, and almost 16,000 employees. Many times the argument as to the feasibility of the manager plan for a large and populous jurisdiction has raged. Some have held that only in cities below the million population class can a manager succeed. Los Angeles County presents undeniable managerial difficulties, and may well provide the first bit of admissible evidence in the argument which has heretofore been a theoretical one.

Also of great importance was the character of Los Angeles County government before the chief administrative officer appeared on the scene. Frequently, and of course Cincinnati is the classic example, a successful city manager movement has ridden a wave of civic reform which is in protest against an odoriferously corrupt and inefficient municipal government. It does not belittle the manager plan to recognize that tremendous improvement in administration is facilitated under such conditions, provided political reform is abiding.

Los Angeles County, however, had been noted for progressive and honest administration, due in no small part to the 1913 charter provision which had established the merit system for practically all officers and employees, including appointive department heads. The chief administrative officer's job was to coördinate and improve administration that was already far above the national average for local governments. This fact was of course not altogether discouraging. In any event, the first C. A. O. was faced with the understandable suspicion, if not opposition, of some of the department heads, all of whom for years had been free of overhead control other than the often ineffectual supervision of a busy Board of Supervisors.

Far from the least of the significant factors was the character of the chief administrative officer's position. Created by ordinance with no charter basis, the office was to exist at the sufferance of the Board of Supervisors, any three of whom could at any time remove all vestiges of the experiment. Not only was the C. A. O.'s job itself on a shaky foundation, but his powers were strictly delimited by provisions of state law as interpreted by the courts and the county counsel. No part of the board's administrative authority or responsibility could be legally delegated! As a consequence the chief administrative officer's powers as defined by ordinance were to be chiefly advisory, and were to depend without exception upon board approval. He was to be the board's agent, or administrative assistant, with no independent status. This did not mean that the C. A. O. was to be powerless, but it did mean that continuous board support of Colonel Allen and his recommendations was a *sine qua non* of any effective managerial accomplishment. Though difficult to summarize, the chief duties given the C. A. O. at the outset were as follows:

1. To supervise the administration of county departments and services,[1] and to assist the board in their coördination.
2. To enforce and carry out the policies, rules, regulations, and ordinances of the board relating to administration.
3. To analyze and present to the board budget estimates with his recommendations thereon.
4. To supervise departmental expenditures, and make recommendations to the board regarding proposed purchases for capital outlay and the cancellation or transfer of budget items.
5. To attend board meetings and make recommendations on any administrative matter, but expressly on the creation or abolition of positions, the temporary transfer of personnel, and budgetary questions.

It will be noticed that the C. A. O. has no power of appointment or removal.

Of vital importance to the success of the manager experiment was the choice of the principal. By the time the Board of Supervisors announced its intention of creating a chief administrative officer, the selection had in fact been made, thus precluding a scramble for the position. Colonel Wayne R. Allen, county purchasing agent for the past two years, with a background of military service and experience as purchasing officer for a large private corporation, was the man chosen. While the position was "created in the classified civil service" by ordinance, the salary of $3,400 was designed merely to supplement the $6,600 paid the purchasing agent, and consequently the Civil Service Commission followed the board's wish by waiving the competitive examination and appointing Colonel Allen. Oddly enough, the first incumbent of a position which has frequently been considered too big for any man found his new duties merely piled on top of those of purchasing agent, a job far from a sinecure in itself! Illogical though this plan may be, it has had some compensating features as will be pointed out later.

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[1] With the exception of sheriff, assessor, district attorney—all of which are elective offices—and the Civil Service Commission.

THE TEST BEGINS

By no means an academician, and with no formal training for governmental management, Colonel Allen's business ability was universally respected. In organizing his office he indicated very clearly his military training by announcing a staff set-up of three assistants—one for budget, one for personnel, and one for supply. The army general staff quadrumvirate was approached even more closely when a few weeks later a "report analyst" with some of the duties of a public relations assistant was added to the C. A. O.'s office. The similarity of these four divisions to the army's G-1, G-2, G-3, and G-4 is striking, though not perfect.[2]

There was much speculation as to the effect of the new regime upon the Department of Budget and Research. A separate department since 1936, also with ordinance, not charter, basis, the latter agency had been a major factor in the high quality of county administration during recent years, and had reported directly to the Board of Supervisors. Its somewhat anomalous position after the creation of the C. A. O. was indicated by the inconsistencies in the rules ordinance which provided sometimes for reports direct to the board, sometimes for reports to the C. A. O., and generally implied two independent investigations of budget requests. In actual practice the Department of Budget and Research began to report through the chief administrative officer, and the 1939-40 budget provided for a change of title to Bureau of Administrative Research and recognition of its logical position as research staff attached to the chief administrative officer in the office of the Board of Supervisors.

The exact pattern into which the C. A. O.'s work would fall was of course unpredictable, and the first year has been largely one of transition. It was early apparent, however, that the Board of Supervisors was coming to depend upon its chief administrative officer for recommendation upon practically every administrative matter. The board minutes overflow with requests that the C. A. O. "investigate and report his recommendations" on such varied matters as operation and income of swimming pools, cost of food for indigents, consolidation of city and county health functions, and innumerable others. Indicative of this reliance was a board order of October 18, 1938, that "all reports of county officers be referred to the chief administrative officer before presentation to this board, and that only such reports as have been recommended by said chief administrative officer be presented to the board."

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[2] See John H. Marion, "Organization for Internal Control and Coördination in the United States Army," *American Political Science Review,* October, 1938, p. 893.

COMPLETE BOARD SUPPORT

In making investigations, the C. A. O. and his office staff have called upon the Department of Budget and Research and other county agencies for their assistance. During his year of operation, Colonel Allen has had almost 100 per cent board support for his administrative recommendations. As a result, many accomplishments in the way of improved organization and procedures have been made, and legal dependence upon board approval of the C. A. O.'s administrative decisions has not in practice been a serious obstacle. Not a few of the improvements had been proposed by the Department of Budget and Research before but had been lost through lack of influence with the board or lack of a single administrator to follow up their instrumentation.

The dangers of political pressure on the C. A. O. by individual board members have not materialized, despite the fears occasioned by the ordinance basis of his office. The fact that the incumbent has retained his civil service status as purchasing agent, while organizationally illogical, is a potential safeguard against his capitulation should strong pressures arise. Actual purchasing duties must inevitably fall more and more upon the deputy purchasing agent.

Board orders in the past have been frequently subject to several interpretations, all too often ineffectually followed up and enforced. One of the major advantages of the current experiment is the fact that such orders are now given an authoritative interpretation by the C. A. O. and enforcement becomes easier. Such an interpretation is apt to stand even against that of one of the supervisors, and the latter may find this very fact a welcome reply to a protesting department head. The department heads themselves have found that their business must ordinarily be transacted with the C. A. O. rather than with one or all of the members of the board, as in the past.

The C. A. O. has from time to time been given new duties or authorities, but the real growth of the office has been in influence with the board and the department heads, an influence which has spread very largely through informal channels. The board members have come to the realization that their decisions on administrative affairs have become more intelligent, their time freed from many vexatious details. As an illustration, the C. A. O. has followed the practice of calling the board into periodic committee of the whole meetings, with a prepared agenda that makes possible the disposal of administrative matters in a systematic manner. Though unable to delegate its administrative authority, the board has in effect relieved itself of many decisions by requiring C. A. O. approval before considering such matters as budget changes, filling of vacancies, individual purchases, public works projects, award of contracts to other than the low bidder, and proposed legislation sponsored by department heads. The presence of the C. A. O. at board meetings affords the opportunity of at least tacit approval of board actions having administrative significance.

FISCAL MANAGEMENT

The chief administrative officer's relations with department heads, except for required budget hearings, have been almost entirely personal and informal. Formal communications during the first year, in the form of serially-numbered "administrative instructions," amounted to only some twenty-five, and consisted chiefly of announcement of board orders and prescription of new procedures. No regular reports to the C. A. O. are required, again excepting budget requests, and information desired is asked for by telephone or letter. Many of the contacts are maintained through the members of the C. A. O's staff, and many of the decisions are in fact theirs. It is no mean accomplishment that much of the suspicion which department heads at first entertained seems to have been allayed. Another practical argument in support of the union of purchasing agent and chief administrative officer appears here in that Colonel Allen as a "fellow department head" has upon occasion been able to elicit coöperation of his colleagues where a superior officer might have failed without calling into play the big stick.

The chief emphasis of the entire C. A. O. experiment has been economy, the chief concern of the administrative officer himself, budget and expenditure control. This is due partly to alarm, on the part of the Board of Supervisors, at rising costs of government which seemed to indicate a tax rate increase, and no doubt partly to the fact that the most tangible way to "justify" such a new (and insecure) office was to save money. There is a perennial debate over the question "what price governmental economy," and without question a few of the Los Angeles County departments feel that their services have been handicapped. The long run effects of substantial reductions in the salaries of department heads recently voted by the board might well more than offset any advantages afforded by immediate savings. In any case, the chief administrative officer has been responsible for large savings in operation costs and the adoption of a 1939-40 budget which has permitted a slight decrease in the tax rate despite increased mandatory and charity expenditures totalling over $3,000,000.

Preliminary preparation of the 1939-40 budget followed essentially the same procedure as in years past. The C. A. O.'s budget officer had been previously chief of the budget division of the Department of Budget and Research, and investigators from the latter department again worked under his direction during the analysis of estimates. The novel feature appeared, however, in the chief administrative officer's hearings with department heads and his recommendations to the Board of Supervisors. Fortified with a general board policy that departmental expenditures be reduced 5 per cent from the previous year's appropriations, Colonel Allen was able to secure the coöperation of most department heads and approach this objective very closely.

From this picture several important facts emerge. First, board hearings on departmental requests, required by law, lasted slightly over a week in contrast to the six weeks of previous years. This was, of course, due to the board's confidence in the C. A. O. and its readiness to accept his recommendations. In previous years the board had invariably increased the appropriation recommendations of the Department of Budget and Research. Secondly, only three of the department heads took advantage of their legal right to carry their requests direct to the board following their disagreement with the C. A. O. Third, departmental appropriations were substantially decreased in reversal of a trend of steady increases during the preceding three years. The C. A. O.'s budget message of May 17, 1939, had recommended a total in departmental appropriations of $1,500,145 less than those of the preceding year.[3] The final budget actually retained over $1,250,000 of this proposed decrease.

Successful pruning of departmental budget requests by the C. A. O. was only one of the factors which prevented a substantial tax rate increase for 1939-40, however. Of equal importance were the C. A. O.'s expenditure control and the specially authorized impounding of savings, which together were chiefly responsible for a $1,115,220 increase in available surplus. By board order no new employees could be hired, no vacancies filled, and no salaries increased without C. A. O. approval. Effective control of these items, especially by demanding impelling reasons before vacancies could be filled, together with the abolition of a few positions, has produced a material saving in salaries and wages.

SAVINGS MADE

Savings in maintenance and operation and capital outlay have been achieved by standardization of supplies and purchasing economies, by several procedural and organizational improvements, and by C. A. O. control, expressly authorized by the board, of capital outlay purchases.

A rules ordinance amendment of January 10, 1939, laid the basis for even more effective C. A. O. control of work program allotments and capital outlay purchases during the year 1939-40.

Even with budget and operation cost savings, the tax rate was reduced from $1.51 to $1.4973 per $100 only by virtue of the board's removal of large amounts from such policy items as land purchases, aid to cities, relief to special districts, and public works projects.

Unquestionably the outstanding feature of the first year's operation of the chief administrative officer plan has been the economy reflected in reduced departmental budgets and lower operating costs. The steady strengthening of expenditure control by the C. A. O. has been made possible by the continuous support of Colonel Allen and acceptance of his recommendations by the Board of Supervisors.

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[3] Non-general fund departments were excluded from these figures.

The Los Angeles version of county management has many features which the orthodox proponent of the council-manager plan might well be inclined to condemn. Chief among these are the lack of a charter foundation, the advisory nature of the C. A. O.'s administrative powers, his complete lack of appointment and removal authority, and his dual position as purchasing agent and chief administrative officer. It is unquestionably true that his recommendations can be ignored or his office abolished by three of the five supervisors. The vulnerability of the position in the face of political pressure is thus increased. Many problems as to relationships with other departments and as to legal procedures remain to be solved. The absence of regular departmental reports to the C. A. O. and the meagre files of that office might also be questioned.

VALUE OF ADMINISTRATOR PROVED

On the other side of the ledger, however, several facts must be noted. Supervisors in Los Angeles, as well as elsewhere, are seldom enthusiastic about the prospect of surrendering their very substantial administrative powers to a county manager. As an entering wedge, a chief administrative officer, completely subject to board direction and control, might well have been the most that was attainable. Colonel Allen's first year demonstrates that much can be accomplished under this formula while board confidence and support are enjoyed. Careful recommendations made by the research arm of the county government have more chance of being put into effect today than ever before. Financial management has been immeasurably improved. An existing merit system of course destroys any pressing need for appointive powers.

Of perhaps greater significance is the fact that the board members have come to recognize the value of a single manager. They have been relieved of many hopelessly minute administrative details. This relief is not complete, however, because of legal requirements which can be removed only by a charter amendment delegating administrative authority to a county manager. Chairman Jessup of the Board of Supervisors apparently reflected the unanimous opinion of the members when he stated recently that he would never again consent to operate without an administrative head. While political prophecy is dangerous, all indications point to board support of a charter amendment in 1940 making the manager's position an organic one. A carefully drawn amendment might well place Los Angeles County in the position of demonstrating to the nation that a full-fledged council-manager plan will work in a complicated governmental jurisdiction of several million people. If such is the outcome, no small measure of the credit must be accorded Chief Administrative Officer Allen and his first year's record.

English Local Government Faces War

Urgency of task in enforcing air raids precautions act responsible for important deviations from regular procedures which may work permanent changes in English local government setup.

By **C. HERMAN PRITCHETT**
U. S. Department of Labor

THE practice of modern totalitarian warfare gives every warring nation a home front almost as much exposed to danger and destruction as the front lines, and requires the governments of threatened countries to undertake elaborate precautions for protecting their citizens from air raids.

In England such a program was delayed much longer than was wise; it was not until December 1937 that Parliament passed the air raids precautions act in a first attempt to lessen the vulnerability of an island no longer protected by the English Channel and the British navy. Activity under this act, carried on with traditional British lethargy at first, was enormously stimulated by the shock of the Munich crisis and the invasion of Czechoslovakia; and the outbreak of hostilities found Britain in a fair state of preparedness for attacks from the skies.

The administrative task involved in a program of civilian air raid defense was a governmental responsibility of the first order. The theory of the ARP act was that a major part of the work would be carried out by the local authorities under the supervision and control of, and with the assistance of financial grants from, the central government. This is the typical central-local relationship found in English administration of highways, public health, police, and other local activities—a relationship which has permitted the English a measure of local self-government unknown elsewhere in Europe. However, in ARP work the urgency of the tasks and the conditions under which their administration would have to be carried on in war time were responsible for important deviations from regular procedures, deviations which may work permanent changes in the governmental pattern of England. It is this situation which makes ARP administration of particular interest to students of government.

The ARP act of 1937 required the principal local authorities (counties and county boroughs) to prepare schemes "for the protection of persons and property from injury or damage in the event of hostile attack from the air, and as to the authorities and persons by whom such arrangements are to be carried out." The schemes contemplated were to cover such fields as fire precautions through the securing of auxiliary fire equipment and the training of auxiliary personnel; organization of air raid wardens; the provision and planning of hospital facilities, medical and nursing service, and medical equipment; the listing of housing accommodations in relatively safe areas to which the women and children of the cities could be evacuated, and preparations for such evacuation. Schemes prepared by the local authorities were to be submitted to the central government for approval and grants of funds.

DIFFICULTIES ENCOUNTERED

Progress of air raid preparations under this arrangement was at first dangerously slow and inefficient. For this state of affairs there were several reasons. Some of these arose out of the provisions of the act, which gave no extraordinary powers to either the national or local authorities for the compulsory entrance on, control of, or acquisition of property. The financial grants to local governments were inadequate and lengthy arguments took place between Whitehall and the local councils over the payment for necessary work. The ARP department of the Home Office, responsible for directing the work of the local authorities, did not operate smoothly or wisely. It had difficulty in securing competent personnel from the civil service. There appears to have been an oversupply of ex-service officers who could visualize no problems except gas, and the result was an overemphasis on gas precautions which armed the civilian population with gas masks and nothing else to meet the Munich crisis.

A most important factor in the delay was the attempt of Whitehall to maintain the same type of control over financial grants as was kept over grants for the regular and non-emergency activities of the local governments. An excellent system of approval of expenditures, audit, and inspection has characterized English administration of grants-in-aid, but it was completely impractical for an overworked Home Office to attempt to apply the same controls when a country-wide emergency program was being inaugurated. Inevitably, when the test came, requests from the local authorities for guidance remained unanswered, authorizations to spend were delayed, and local councils, denied financial control and responsibility for the safety of their citizens, were driven to making such arrangements as they could on their own account. According to one competent analysis of the situation, "The system as it was built up infringed the most elementary rules of large-scale organization. It threw an impossible burden on the center and divided reponsibility at the points where rapid and coherent action was essential."[1]

Certain characteristics and weaknesses of local government organization in England played their part in the initial delay. Of considerable importance is the fact that the town clerk and his staff, who furnish the coördination and much of the direction for municipal affairs, are legally trained. They are competent officials for ordinary functions, but are scarcely likely to possess the organizing ability needed for an emergency task of this nature.

Because of this fact, in many areas the ARP responsibility was placed on the chief constables, who are reported to have done notably better at this administrative task than the town clerks. In the all-important London area, however, the metropolitan boroughs have no police officers, since their policing is in charge of the Metropolitan Police Commissioner directly under the Home Office. Experience of this sort indicates why English students of government are taking an increasing interest in the city manager form of organization.

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[1] *Planning*, No. 132 (Oct. 18, 1938).

COMMITTEE SYSTEM SLOWS WORK

The extent to which English local government is operated by committees also had some bearing on the situation. There is, of course, an excellent case for the committee system. The committees of English local councils have been effective instruments in making representative government a reality and in enlisting the valuable and unpaid participation of public-spirited citizens in municipal affairs. On the other hand, committees have very definite shortcomings, which are particularly evident when they are required to direct or to be responsible for quick and decisive administrative action. The tendency to make important committees unduly large emphasizes this weakness — witness the education committee of the Lancashire County Council, numbering seventy-two, or the public assistance committee of Liverpool, composed of no less than ninety members. It is not surprising that in the instructions which the Home Office sent out concerning the setting up of ARP committees, the local authorities were asked to keep them as small as possible.

The committee system has other potentialities for delaying action, such as the chance of disagreement between two committees of the same local authority. A case was reported during the Munich crisis, where the parks committee of one authority refused to permit the ARP committee to dig shelters in the parks, and a full meeting of the council had to be called to break the deadlock.

Another factor making difficult the effective organization of local ARP services is the existence of a congeries of local government units, whose arbitrary boundary lines cut across the unity of metropolitan areas and raised an urgent problem of coöperation between neighboring authorities. An example is the urban area of Tyneside, where in a region not much larger than the city of Birmingham there are no less than sixteen local authorities responsible for the administration of all or some of the local government services. These units include two counties and four county boroughs, all six of them ARP authorities under the act. In such a situation coöperation in meeting the common regional danger was essential, but only the most elementary steps were taken in this direction.

The protection of London, all-important to the defense of the country, was rendered particularly difficult by the complex governmental picture in the metropolis. Fortunately the London County Council, whose authority extends over a great part of the metropolitan area, is responsible for certain of the services of greatest importance in air raid defense. It controls the public hospitals and could effectively plan for the use, removal, and re-establishment of these institutions, as well as for ambulance service and nursing. The council controls the London fire brigade, and so was in a position to arrange for its expansion and the securing of auxiliary fire protection, including the training of personnel. It likewise is responsible for the educational system in its area, and could do its part in the evacuation of children to the country.

RED TAPE CUT

On the other hand, the important air raid warden system, the provision of public air raid shelters, the arrangements for first aid and stretcher parties, and other essential services, were not responsibilities of the London County Council, but of the twenty-seven metropolitan boroughs and the city of London, which are the primary units of local government in the London area. After a period of experience with this system, the metropolitan boroughs, overwhelmed by the impossibility of coördinating their separate ARP services, urged the Home Office to transfer responsibility for the air raid warden service to the Metropolitan Police Commissioner. Or, alternatively, they suggested a still more drastic step, the creation of a special authority or department to assume responsibility for air raid precautions in the entire London area. The Home Office refused the suggestion, saying, however, that an organization of this kind would operate after the outbreak of war.

The acceleration of ARP work after Munich was the result of a different national temper and an appreciation of the emergency nature of the task. Out of this new attitude grew a willingness to modify governmental machinery as needed to achieve a measure of the preparedness required. The most important moves looked toward bringing the central and local authorities closer together, and decreasing the amount of red tape that separated them. Both the Home Office and the Ministry of Health took important steps toward decentralizing their administration, appointing regional officers throughout England or strengthening existing regional staffs, so that projects could be approved on the spot and the local authorities could receive more effective aid in planning protective measures.

But the regional approach to ARP administration was carried further. England was divided for defense into ten regions, with Scotland and Wales comprising two additional regions. Regional commissioners who were to be responsible for coördinating and controlling the defense measures of the local authorities, were appointed for each of these areas. In peace time the powers of the commissioners were limited. They were to get in touch with the local governments in their regions, and for this purpose regional councils were to be set up, under the chairmanship of the commissioner, such councils to include representatives of the local authorities and the regional officers of the various central government departments. In war time, however, the commissioner was to function as the all-powerful deputy of Whitehall, representing the central government in his region. In case of serious damage to the communications systems of the country, each region would function as a self-contained unit under the direction of its regional commissioner.

Now that war has come, it seems probable that the headquarters of the various regions will become in a real sense subcapitals of England, centers of regional administration. Occupying a place midway between the central government and the local authorities, this regional approach may result in nothing less than the establishment of a new level of government in England. The prevailing trends and the necessities of the war period point in this direction. As far as the central government is concerned, the need is for decentralization. The concentration of control in Whitehall is a clear danger in war time, making possible a knockout blow by the enemy. But even in peace the affairs of a nation cannot be administered from one point, even in so small a country as England.

NEED FOR COÖRDINATION

On the local government side of the picture, the need is for an increasing coördination of the activities of local authorities, which can come only by direction and pressure from above. This function has been performed to a certain degree by the field officers or inspectors of the central government departments. But the difficulty is that these officials are concerned only with segments of each local authority's activity—the Board of Education inspector with the schools, the Ministry of Health inspector with public health or housing, the Home Office inspector with the police force, and so on. There has been no central government official charged with the duty of coordinating all local government activities in a particular area or region, as the new commissioners are required to do in the field of civil defense. There has been, as T. S. Simey wrote, a "missing link in the chain . . . between the representative local authority and the central department."[2] In the new system of regional commissioners a step in supplying this link has been taken.

Interestingly enough, this whole process was foreshadowed in 1934, when a commissioner for the Special Areas was set up by Parliament to undertake a policy of economic and social improvement in certain distressed areas through the allotment of funds and the encouragement and coördination of local efforts. On the basis of his experience in this position, the commissioner, in his most recent report, raised the question whether there was not a permanent need for the employment of such machinery generally in matters which are the joint concern of both national and local administrations. He said:

> With the growth of legislation new duties and responsibilities are put on local authorities and at the same time government departments in Whitehall become more specialized. Experience in the Special Areas has shown both that valuable assistance can be given by a district commissioner who is

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[2] T. S. Simey, *Principles of Social Administration,* Oxford, 1937, p. 171.

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County Disorganization for North Dakota

New law paves way for abandonment of county government where population less than four thousand; few counties eligible to act but law gives impetus to further study of county problems by legislators.

By **KENNETH WERNIMONT**
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THE wrecking of a building except to make way for new construction is seldom thought of as progress. There are times, however, when the building is so weak in its foundations and so unworthy in its outward appearances that the level ground is both safer and more becoming to the community. Few precedents exist for the dismantling of a county government. Legal and political concepts of the past have always reflected the pioneer spirit of expansionism whenever they have dealt with the subject of governmental subdivision. Thus the enactment of legislation which actually aims at the disorganization of counties is a novelty. It is one more device for accomplishing by more or less indirect means that which county consolidation laws are intended to accomplish directly.

The last session of the North Dakota legislature passed a law[1] which would enable counties to disorganize their present county governments and to become attached to adjoining organized counties for the performance of essential functions. It is hoped that this will provide a technique by means of which some of the thinly populated counties of the state will be able to cope with a progressively declining tax base and an increasing rate of tax delinquency with the inevitable rise of floating and bonded indebtedness.

Maintenance of public offices required by the constitution of the state and statutes dealing with county government is no longer justified in some places, either by numbers of people to be served or by economic ability to pay taxes. There are apparently certain other counties with the necessary machinery already set up to undertake the performance of minimum functions of local government supervision within the territory to become unorganized. This was the relationship of many of the early counties in the state before county lines and county pride had become fixed.

The disorganizing procedure would be set in motion by means of a petition signed by 20 per cent of the electors of the county and filed with the Board of County Commissioners. If filed more than ninety days prior to the next general election, the question would be submitted to the people at that election. If not, it must carry over until the following election.

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[1] Chap. 122, North Dakota laws 1939.

As a preliminary step, the state examiner would be required to make an immediate audit of the finances of the county which would include a statement of taxable value, a statement of assets and liabilities, a statement for the last preceding fiscal year showing the budget, the amount of taxes levied, the expenditures made and the obligations incurred, and any other pertinent information.

Should the election result in a favorable vote for disorganization, that result would be announced by proclamation of the governor and the county would be considered to be disorganized on January 1st after the proclamation. The governor is required also to designate an adjoining organized county to which the unorganized county would be attached, and the attachment would likewise become effective on the following January 1st. There is an alternative provision for the selection of the adjoining organized county by resolution of the county commissioners of the unorganized county together with a similar resolution of acceptance passed by the county commissioners of the organized county.

COMPENSATION FOR OFFICERS

The attachment would be effective for all "judicial, record, and taxing purposes, and for all purposes connected with county government." To that end the officers and employees of the adjoining organized county including the Board of County Commissioners are given the same powers and jurisdiction with respect to the unorganized county as they possess within their own county. Additional compensation is provided for each elected officer in the sum of $30 per year for each one thousand in population or major fraction thereof contained in the unorganized county. The added salaries are to be paid from taxes levied in the unorganized county as are the premiums for increased bonding requirements.

The abolition of all county offices, specifically defined to include both elective and appointive offices, is provided for when the county becomes disorganized. Payments equivalent to salaries and other compensations customarily paid to officeholders are to be made until such time as their successors would take office except for the disorganization. The law also states that if there should be any officeholders with an indefinite term, the payments to them are to continue for only one month after the disorganization. Payment of one month's salary is provided for those who are elected to offices but do not assume their duties because of the abolition of the offices prior to the commencement of the term.

Provisions for removal of moneys, property, files, records, and other material from the courthouse of the unorganized county to that of the organized county are not unlike those in county consolidation laws. All money, property, and records are to be kept separately, however, and the organized county holds title to them as trustee for the unorganized county.

The organized county to which an unorganized county is to become attached must be in the same judicial district. This facilitates the transfer of cases pending in the district court from one county seat to the other.

County court matters are transferred to the county court in the organized county and justice court matters go to the justice of the peace in the organized county whose office is nearest the county seat. Judicial and other legal notices must be posted in the unorganized county in the same way as they would be in an organized county and published notices must appear in a newspaper in the unorganized county, if there is one. Otherwise they are to be published in the official newspaper of the organized county.

The unorganized county continues in the same legislative district with the same representation. The levying of taxes is conducted by the organized county for the unorganized county according to the usual procedure, and while this power to tax is specifically subjected to the statutory limitations imposed upon tax levies in counties generally, it is likewise stated that the organized county is in no way to acquire any financial obligation or burden by reason of the attachment.

There is an alternative procedure for carrying out the disorganizing process in the event that the initiating petition contains the names of more than 50 per cent of the qualified electors of the county. In that case the disorganization would come about through a decree of the district judge after the holding of hearings. An appeal to the State Supreme Court would be allowed at any time within twenty days of the filing of the district judge's decision and decree. After the expiration of the time for an appeal, the clerk of the district court would notify the secretary of state and further steps would be taken as though an election had been held.

As a matter of fact, only a few of the North Dakota counties are eligible to take advantage of the new law since its use has been confined to counties having a population of less than four thousand. Billings County in the southwestern section of the state is one county meeting that requirement. Some light may be cast upon the expediency of the disorganizing enabling act by a brief review of the problems which face the county board there.

DECREASED INCOME

The first point to be noted is that the county's tax base has been reduced by about two-thirds of what it was ten years ago. There are several reasons for this reduction. For one thing, the legislature in 1931 reduced the assessable valuation of property from 75 per cent of the true valuation to 50 per cent of the true valuation. To this must be added the progressively increasing amount of tax delinquency during recent years. Then there has been a considerable amount of land purchased by the federal government in its program for the retirement of submarginal land and in the land adjustment projects for grazing.

Significant also is the falling off in real estate valuations to the extent of a little more than 43 per cent between 1934 and 1938. The percentage of decline would be still greater except for the fact that much of the federal land purchases were in areas of exceptionally low values.

The county budget, on the other

hand, is one that calls for a number of fixed expenses such as salaries made mandatory by law, payments for the care of the insane, poor relief, operation and maintenance of buildings, and other similar items. For the fiscal year 1938-39 the budget adopted by the board called for general government expenditures of $26,600. The original estimate of general fund expenditures for the year had been $33,066, and it was indicated that many of the items which were cut could not possibly be kept within the reduced budget. Additional budgets of $4,650 for road and bridge work and $3,000 for unorganized township road funds were adopted making a total for the year of $34,250.

Two things make the raising of this minimum amount of money impossible. First of all, the statutory levy limitations when applied to the present reduced tax base would raise only about half the required amount. Then, even if the tax levy limitations did not interfere, there is the further certainty that about half the currently levied taxes will be uncollected at the end of the fiscal year.

DEBT FIGURES HIGH

But the failure to meet current expenditures is not the only problem that faces Billings County. If it could manage somehow to pay as it goes, it would still be faced with a net total of floating and bonded indebtedness of $76,377. These figures foretell the future of the county with discouraging eloquence.

The financial picture, as bad as it is, becomes even worse in the light of other more general facts. Population in the county, for example, has decreased from 3,140 in 1930 to an estimated 2,500 in 1938. This leaves an average of 2.12 persons per square mile, and it is estimated that 72 per cent of them are receiving some kind of public assistance.

Topographically speaking, the land in the county is rough. The Little Missouri River crosses through it and the so-called "Badlands" extend for some distance on either side of the river. The Badlands are adapted only to grazing. It is reported that cultivated land in the county decreased from more than 100,000 acres in 1937 to about 77,000 in 1938.

Obviously Billings County does not meet the requirements for an economical unit of government. It lacks the tax base, the population, and the natural resources to successfully support a county government with the full dress required by existing constitutional and statutory measures. Complete consolidation with some one or more neighboring counties under the old consolidation law passed in 1933 and amended in 1939 offers one solution. There appears, however, to be some feeling in the county that complete consolidation would result in excessive taxation of the grazing land, which represents the prevailing land use, by reason of the fact that neighboring counties with whom they might logically consolidate are to a greater extent farming areas. There is also some doubt about whether the necessary 60 per cent vote could be obtained in any neighboring county to

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Saginaw: A Lesson in Coöperation

Citizen organization proves important asset in securing and keeping good government under city manager charter; cooperation the keynote in all municipal activities.

By **PRISCILLA C. KLINE**, *Public Schools, District of Columbia*
and
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Editor's Note.—This is the first of two articles on the operation of the city manager plan in Saginaw, Michigan. The second, dealing with accomplishments under the manager plan, will appear in the January issue of the Review.

IT HAS often been said that in general citizens get the kind of government they deserve or demand. Yet all too frequently those really interested in improving city administration fail in their demands because they lack the organizing capacity possessed by a relatively small number of local politicians. The experience of Saginaw, Michigan, should present a challenge to those citizens of indifferently governed communities who are content to voice their protests only in wishful thinking and armchair philosophizing.

The progress made in Saginaw under its new (1936) charter, its efficient city manager, and its outstanding city council form one of the brighter chapters in the administration of city government. But back of this era of prosperity there is another story—a story of how Saginaw obtained its "model" charter, how it supports its city manager and his judicious policies, how it continues to keep in office men of ability regardless of their political affiliations.

Some idea of the governmental experience of Saginaw prior to the adoption of its 1936 charter seems necessary for purposes of contrast. The general story of its government and political background is not peculiarly different from that of many American cities. From the time of incorporation in 1889, through 1913, Saginaw's charter provided for a mayor-council form of government. Apparently sectional strife, jealousy, and the presence of political cliques aroused a substantial number of citizens, who thought a change in governmental form would provide a solution. A few minor scandals may have contributed to the upset. As Saginaw ranked well in general credit and had a relatively low tax rate, however, its government was probably not conspicuously bad.

Advocates of reform expected that their ideals would be realized through the adoption of the then fashionable commission form of government, which started operation in January 1914, but partisan strife was not eliminated. An effort to return to mayor-council government in 1920 was defeated at the polls, and Saginaw continued to be governed by its

1914 charter and five commissioners. Change of governmental form had not solved the problem.

By 1934, when charter revision was again suggested, texts on municipal administration had long since conceded that practical weaknesses of the commission type of government were the frequent inability of the commissioners to coöperate and their penchant for operating each department as a separate agency with little or no coördination.

Of these failings Saginaw was an apt illustration. The bickerings and personal feuds among members of the Saginaw commission-council, and the resultant loss to the city in services and governmental costs, became apparent to all people who read the *Saginaw News*. Across its pages were spread the stories of petty jealousies, angry imprecations in council meetings, and a feud between two commissioners which lasted well over two years and included impeachment proceedings, a grand jury investigation, numerous public hearings, and threatened recall of the entire commission.

The nature of the conflict is apparent from the fact that a grand jury investigation resulted in no formal charges, and impeachment proceedings ended in a statement from the State Attorney General that he would "not even bother to make a report" to the Governor, since it was the policy of his department to "allow these local political squabbles to be settled politically in the locality where they arise."

While this quibbling continued, public issues such as tax collection, relief, adequate money to pay policemen (first ordered dismissed and then retained without salary provisions in the budget), liquor license administration and control, reassessment, and the rebuilding of the city hall (destroyed by fire in April 1935), were postponed, disagreed on, reconsidered, postponed further, and finally decided upon, if at all, in terms of personalities. Disgusted property owners suggested a fifteen-mill tax limit, and although the administration alleged that, should it be adopted, city services would have to be curtailed to a crippling extent, the voters approved the limitation measure by public referendum.

Meanwhile, the noise and confusion had resounded in the offices of several successful business men who could not understand why running a city efficiently should be much harder than running a big business successfully; it had reached the homes of many a taxpayer who wondered for what he was paying; it had given the *Saginaw News* ample campaign material to boost the cause of charter revision; it had given the Saginaw League of Women Voters a challenge worthy of their best efforts.

The move for charter revision gained impetus during 1934. A new group of young business and professional men, allied with the Board of Commerce, had previously requested that the commission include a referendum on charter revision at a special election already called for another purpose. This request was not granted. The Board of Commerce then announced its determination to get an expression on charter revision from the people by means of initiatory petitions calling on the commission to submit the question to the voters. Such petitions, "contemplating an aldermanic form of government" or a modification of it, were circulated as early as February 1934. Sufficient signatures were duly recruited and the proposition was ordered on the September primary ballot.

CAMPAIGN SUCCEEDS

During the summer of 1934 the *Saginaw News* carried on an active campaign for charter revision in which it pointed out charter weaknesses with ample current illustrations of lack of coördination and its cost to the taxpayers. When one commissioner proposed that the council vote a $30,000 bond issue to finance charter revision, and a second commissioner labeled this act as an attempt to bring about the defeat of revision, the *News* re-echoed the charge pointing out that Flint had revised its charter at a cost of less than $5,000 and added: "It is possible that those who proposed it (the $30,000 appropriation) are not unmindful of the public alarm that discussion of such expenditure would occasion."

The Civic Economy League, originally organized by a few business and professional men to defeat a proposal for a municipal lighting plant (also to be decided on at the September primary) turned its efforts toward charter revision as a means of ousting the incumbent commissioners and their proposed "schemes." The League soon obtained the names of twenty men who would be willing to serve as charter revision commissioners without pay, and this number was augmented from time to time. While its membership grew to over one thousand persons, the league propagandized through leaflets, speeches, meetings, and "personal contacts."

Charter revision was voted in September 1934, and nine charter commissioners were subsequently chosen —all of whom had been on the list of those agreeing to serve without pay endorsed by the Civic Economy League. Saginaw was fortunate in having among its citizenry at least nine outstanding men whose interest in better government was unselfish, whose names were known to the community through previous public service, whose business success reflected ability, and who were willing to be guided by authorities on public administration. Of the nine only one had previously held an elective public office, though a number had served the city well in promoting welfare organizations, the YMCA, and other community enterprises.

These original nine members included a popular retail grocer, the head of an automobile agency, the president of a local lumber company, an attorney, a retired manufacturer, a music teacher-accountant, the president of a wholesale company, a manufacturer, and a successful real estate man. Soon after commencing work the real estate man resigned (for business reasons), and was succeeded by the president of the foundry workers' council at a local automobile plant.

The charter commission selected as its chairman Mr. Arnold Boutell, whose services on the Welfare Board were well known, and whose business ability and leadership were highly respected. A wealthy, retired manufacturer, Mr. Boutell had much time to devote to a task which appealed to him. He began a study of city charters, made trips to various cities to obtain information on the operation of political theories, and consulted with Harold D. Smith, then director of the Michigan Municipal League.

MANAGER PLAN FAVORED

As a result of careful study, Mr. Boutell is reported to have been convinced of the advantages of the manager plan. Respect for his opinion and findings apparently were factors in convincing some of the other commissioners who had favored a return to the aldermanic form of government. There was some feeling that the voters would be suspicious of the city manager form, and that it would be better to get their approval for less sweeping changes than to risk losing all by submitting a charter in which the public lacked confidence.

But differences of opinion among the charter commissioners on this, as on other issues, were ironed out quietly, objectively, and with little publicity, and when the commissioners announced their preference for the city manager plan, the statement was issued as their unanimous opinion.

The Charter Commission worked with the advice of Harold D. Smith and Attorney Raymond Kendrick. Its method of procedure formed an interesting contrast to the dissension among the city commissioners and its attendant publicity. Among the charter commissioners there was no lack of debate on issues, but such argument occurred impersonally and with little publicity, and when a public announcement was made, the commissioners authorized the chairman to make it and gave unanimous approval. The requests and advice of special groups were heard, but in each case the petitioners found the commission well informed on the subject under discussion.

The charter commissioners yielded to no pressure by or for special groups, and could not be compromised individually or as a group. Veiled threats to defeat charter adoption unless special considerations were made did not deter them from including in the charter only what seemed consistent with practicable and accepted standards.

As the work of the charter drafters neared completion, several agencies renewed their efforts to inform the voters of the charter's merits. Since the charter was ultimately accepted by only a narrow margin of votes, these agencies are entitled to much of the credit for its adoption. It is generally agreed that the League of Women Voters exerted a tremendous influence. Starting with its own members as a nucleus, the League contacted hundreds of women throughout the city who were members of other clubs, and organized some seven hundred women for duty. These women made house-to-house calls in all wards of the city. With them they carried copies of the proposed charter and other "educational" information which pointed to the shortcomings of the present administration and made the advantages of the new charter understandable and attractive.

Members of the League of Women Voters knew enough about practical politics to realize that no government is better than its personnel, and that charter revision, of itself, will not guarantee a model government. But sponsorship of individual candidates is not permitted in the name of the league. Thus many members became prominent, as individuals, in the establishment and functioning of a Citizens Committee, composed of representative men and women from all groups in Saginaw. This committee not only worked for charter adoption, but also participated in a campaign to draft and elect the charter commissioners as the first council to operate under the new charter.

The League of Women Voters and the Citizens Committee acted as coordinators for the efforts of other civic groups working for charter adoption. These included the Saginaw Citizens' Protective League, which started as a tax-protest group "to guard the public against nefarious activities at the city hall"; the Civic Economy League, originally founded to oppose a proposed municipal lighting plant; the Board of Commerce; and various luncheon clubs.

The *Saginaw News* gave full publicity to the activities of all these groups, and carried on a vigorous educational campaign of its own. Statements from the charter commissioners were solicited, criticisms from opponents were asked and then refuted, almost daily attention was focused on the wranglings of the incumbent commissioners, a question box on the charter was established, numerous man-on-the-street opinions were printed, and a vigorous editorial campaign waged which in the days immediately preceding the election was shifted from the usual editorial page to a double column in the center of the front page. Copies of the charter were printed as a special supplement to the *News,* and its advantages were simply explained with illustrations of the benefits to the taxpayer in lower costs and better services.

Those enthusiastic for charter revision laid the many shortcomings of the existing government at the door of the old charter. Among the charges against the old government and the advantages claimed for the proposed change were:[1]

1. Coöperation difficult with authority and responsibility divided;
2. Work of commissioners inequitably divided and job classifications haphazard;
3. Purchasing power vested in several heads, identical supplies purchased separately for each department;
4. Duplication of accounting systems increased government costs;
5. Commissioners play politics to discredit colleagues and to perpetuate themselves in office;
6. Tightly drawn charter restrictions make it impossible to transfer surpluses from one department to remove shortages in others;
7. Appointing power of commissioners makes city jobs political spoils after each election, merit system substituted in new charter;

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[1] This summary was compiled from statements made by the *News,* the legal counselor to the charter commission, and the various groups working for charter revision mentioned above.

8. Cumbersome accounting methods, some prescribed by old charter to provide several checking systems unnecessary and costly;

9. Much duplication in preparation of annual tax rolls, permanent record cards would curtail work;

10. Budgets made by five commissioners, each of whom is afraid to question items of other departments for fear his own budget will be cut. Budget reviewed by Board of Estimates, appointed and dominated by commission, and therefore impotent.

The outstanding features of the new Saginaw charter are its clarity and brevity—less than twenty-two pages or approximately seven thousand words. The broad grant of power given the council provides that it may do all things permitted or required by the constitution and laws of the state, except as expressly limited in the charter. The nine councilmen and justice of the peace are elected. The council hires a city manager, "solely on the basis of his executive and administrative qualifications," and its discretion is not made reviewable. All other city officials are appointed by the manager and their compensation fixed by the council. The charter specifically forbids the council to "direct or request the appointment [of any person] to or his removal from office or employment by the manager or any of his subordinates," or, except for investigation, to deal with the administrative services or give orders to any official other than through the manager.

Other features of this "model" charter, to which some cities have referred when revising or rewriting their charters, are: elimination of the pre-election primary for nomination of candidates, low pay for councilmen to discourage candidates from seeking office as a means of livelihood, a bureau of public information and complaint, councilmen elected at large, bonds issued only by vote of people, except for special improvement bonds chargeable directly against benefited property, special chapter on public utility franchises, provision for job classification and for appointments on the merit principle, initiative, referendum and recall, retirement pension systems for firemen and policemen, and the 15-mill tax limit.

POLITICAL OPPOSITION

The opposition to charter adoption centered around organizations of some of the present and former city officials and old-time political leaders who feared that a change in administration would cost them their jobs or political spoils. The *News* pointed out that their campaign was financed by assessments on city employees. Anonymous circulars containing false or misleading statements charged that the new charter would result in a "dictatorship," that the cost of administration would double, that in all legislation "the manager would be the court of last resort," that the manager might be a total stranger "coming from a foreign country," that a special assessment provision in the new charter was an evasion of the 15-mill tax limitation.

The vigor of the campaign is indicated by the fact that the voting on the day of charter adoption increased 37½ per cent over the number of votes cast on the charter revision proposal of a year before. The margin for charter revision had been better than two to one (34.53 per cent of the total vote). The margin for charter adoption was 326 votes, or only 3.59 per cent of the total.

COUNCIL PERSONNEL

The nine charter commissioners led the primary in the race for council seats, and were later elected as the first council after a vigorous campaign by the Citizens Committee. Eight of these nine councilmen still remain in office.[2]

The importance of the personnel of the city council can scarcely be overemphasized, since the charter leaves so much to the discretion of the council and the manager.[3] The council would not be swayed by political pressure, and canvassed the field for the best city manager available. After considering approximately forty prospects, it chose the able L. P. Cookingham, then city manager of Plymouth, Michigan.

Having chosen Mr. Cookingham as an expert, the council has unqualifiedly accepted his advice on administration. Matters of policy are sometimes warmly debated, but not matters of administrative technique. Relations between council and manager resemble those of the president and board of directors of a well run business corporation. The council has confidence in the manager; the manager is solicitous of the desires and needs of the community as expressed by its elected representatives. No fireworks, no balking of plans for community welfare in order to gain personal recognition; no jealousy, on the part of council members, of the manager's prestige, or aspiring toward his job.[4]

The council chooses from among its own members a mayor who represents the city on all ceremonial occasions. Yet the manager is not removed from direct contact with the people. Through his open door come dozens of citizens who air their views or state their problems and usually go away with renewed confidence in their government.

Since councilmen are elected at large, pressure from constituents for personal favors or special benefits to particular sections of the city is minimized. The dispensing of patronage is made impossible by the merit system, and politics do not determine contract awards, which are made to the lowest bidders. While differences of opinion are known to exist among the individual councilmen, they present a united front to the public. Even in making campaign statements, the councilmen running for re-election have consistently issued joint statements emphasizing the record of the entire council, instead of pointing out individual achievements which, incidentally, are not a matter of record.

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[2] One councilman died, and this vacancy was filled by a dentist. At the 1939 election he was not available for re-election and an insurance man, endorsed by the Citizens Committee, was elected.

[3] On the night the charter was adopted, it was reported that the incumbent mayor told a group of citizens at a public gathering in a negro ward that if they would stick together and vote together they would have enough power to control the nine-man council provided for in the new charter.

[4] The charter provides that no councilman may become eligible for appointment as manager until at least two years subsequent to the termination of his service on the council.

What of opposition forces after three and one-half years under the new government? A few of the old names appear at election time. They plead for more discussion of policy by the council at public meetings rather than at the council's informal or committee meetings. They urge that purchases of city supplies should be made from local merchants exclusively, rather than from the lowest bidders, if outsiders. They believe that local "talent" should have the posts of city manager and the other few offices filled by outsiders with specialized training. They continue to campaign for a better water supply and for a municipally-owned electric plant—measures the feasibility of which the council and manager have been carefully studying for months. But the greater number of administrative assistants and employees have been kept in the city's employ by the manager, and these people seem to be thoroughly loyal.

Our political history abounds in illustrations of hard fought reform movements whose results were all too transient after the watchful eye of the public had been removed. A new government may bloom and flourish under watchful care, but when the drama of crusading has ceased to exist, too often public interest wanes. No news or excitement in every day government routine! But politicians do not forget, and those who have enjoyed personal profits at public expense are veritable termites who eat their way back through devious subterranean approaches not apparent to an unsuspecting public.

To offset such inertia on the part of the public, the League of Women Voters annually sponsors a dinner to which several hundred representative citizens are invited, along with the more important city officials. At this dinner municipal officers are honored, the outstanding achievements of the year are reviewed, and a speaker of recognized authority on public affairs discusses modern trends or problems of city government. Public officials are made to feel that their services are appreciated and recognized, and a large group of citizens is kept informed, and is held together as a nucleus should its services be needed. Many of those attending are members of the Permanent Saginaw Citizens Committee, which springs into action before each municipal election. The personnel of the city council, a tremendous factor in Saginaw's progress, is directly attributable to the efforts of this group.

Thus Saginaw, split by factional strife for years, sets an example in coöperation: coöperation in the writing of a model charter, coöperation among its reform groups and citizens in getting the charter adopted, cooperation between council and manager in following a well defined program, coöperation by its Citizens Committee in sponsoring public-minded candidates for office, coöperation among its citizens, led by the League of Women Voters, in making men feel that unselfish public service is appreciated and that professional politicians are not the only ones who can organize and get results.

Where to Put the Traffic Engineer?

Authorities in the field favor department of public works rather than police department if separate traffic engineering bureau not feasible.

By **JOHN ACKERMANN** and **JOHN THURSTON**
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WHEN cities didn't have traffic engineers, they didn't have to worry about where to put them. Now that the traffic engineer is a modern necessity, the chief executive and the city council are obliged to face the administrative problem of what to do with him. Should he be made the head of a little duchy of his own, answerable only to the chief executive? Or should he be placed in one of the existing departments? And if so, which?

Stimulated by a controversy in Evanston, Illinois, we asked the opinions of a number of the outstanding authorities on traffic engineering in the country. Their replies were so thorough and painstaking that it seemed almost obligatory to summarize them for publication. The seven authorities who stated their opinions were Burton W. Marsh, director of the Safety and Traffic Engineering Department, American Automobile Association; Harold F. Hammond, secretary-treasurer of the National Conservation Bureau; George Barton, director of the Safety and Traffic Engineering Department, Chicago Motor Club; Earl J. Reeder, chief traffic engineer of the National Safety Council; D. Grant Mickle of the Traffic and Transport Department, Jensen, Bowen, and Farrell; Miller McClintock, director of the Bureau for Street Traffic Research, Yale University; Thomas J. Seburn, city traffic engineer of Kansas City, Missouri.

Before examining the opinions of the authorities, it may be well to list briefly the duties of the traffic engineer. These are usually as follows:

1. Keeps and analyzes accident records to determine the location and causes of traffic accidents. Maintains a spot map showing where accidents occurred.
2. Makes surveys and investigations to measure the flow of traffic and the facilities for carrying it. Makes studies of traffic movement to measure vehicle and pedestrian volume and fluctuations; origin, direction, and destination of traffic; speed and delay of vehicles; cordon statistics; parking practices; street car, bus, taxi, and railroad routings and their relation to traffic movement; existing truck and passenger vehicle routings; adequacy of streets to carry traffic; hazardous conditions; traffic violations; etc.
3. Prepares plans for the better utilization of existing facilities and for changes, improvements, and new construction which will increase traffic safety and mobility. Locates through streets, highway routes, one-way streets, and street-car and bus routes; plans and supervises the installation of traffic signs, signals, markings, street

lighting, medial strips, safety islands, loading zones, taxi stands, parking meters, etc.

4. Consults with the engineering division and the city planning committee with respect to the planning, design, and construction of new streets and traffic facilities and in the repair and improvement of existing facilities, including street surfacing and reconstruction, grade separation, street extensions, street lighting, and traffic islands and circles, etc.

5. Acts as member and secretary of the traffic commission and drafts recommendations for proposed traffic ordinances and regulations.

6. Coöperates with civic organizations and gives addresses for the purpose of public education in the objectives and methods of traffic engineering.

At the outset, the authorities recognize the fact that there is no one clear-cut answer to the problem. Local conditions, organization, and administrative personalities are extremely important. "After all, the main question is not one of administrative organization, but one of administrative spirit and will," says Miller McClintock. Of course, the importance of personalities and personal attitudes tends to recede when the problem is considered with reference to all cities and to the future as well as the immediate situation. Once an office is established, moreover, it may prove very hard to shift it elsewhere. We need to ask, will the tendency to success be greater in the long run if the office is located in one department or another?

TRAFFIC BUREAU IDEAL SETUP

There is some longing among authorities for a separate traffic engineering department. "The ideal situation is one in which the traffic engineer is established in a separate bureau having equal ranking with the other city departments," declares D. Grant Mickle. In the main, however, the authorities appear to regard the separate traffic engineering department tenderly as a sort of traffic engineers' heaven and do not advance the notion very forcibly for the mundane world of municipal administration.

The really practical alternatives and the arena in which the fighting is usually done comprise the police department and the department of public works.

Significantly, none of the seven authorities favors the police department outright. True, Miller McClintock says: "In many instances, however, the police department is so completely the agent for traffic operations within the city that it would be very disadvantageous to have the traffic engineering division other than in the police departments."

The others all declare, in more or less outright fashion, in favor of public works, although mentioning a few instances in which location in the police department has worked fairly well. The advantages of placement in the police department are, first, ease of access to traffic accident reports, and, second, coördination with enforcement.

For the most part, however, the authorities feel that results have not been very satisfactory when the traffic engineer is put in the police department. The traffic engineer may have managed to get along, but he usually has not been able to develop his office and perform the functions which are now recognized as good practice. The reasons for this appear to be as follows:

1. Police officials frequently do not appreciate the traffic engineer's work. They do not have a warm interest in the work and sympathy for and understanding of the engineer's objectives. They do not value the technical methods which he uses. They have been trained in and operate in what one might almost call a different world—the world of enforcement. They do not think the same way an engineer thinks or even speak his language.
2. Growing out of this basic lack of appreciation there is frequently found lack of support of the traffic engineer. This may take the form of insufficient appropriations or failure to provide help needed by the engineer for his studies and other duties.
3. Still another result of lack of appreciation is the burdening of the traffic engineer with minor and irrelevant duties which prevent him from attacking the larger problems. Sometimes complaints about enforcement of traffic regulations, which should have been answered by police officials, have been foisted upon him. In one instance he was even obliged to paint his own signs. In Evanston he wore a police badge and carried a gun.
4. Finally, there is likely to be lack of coördination between traffic engineering and street planning and construction, street repairs and routing of detours, street lighting, etc.

Here is what some of the authorities say:

"Traffic engineering, being fundamentally the application of engineering techniques to the traffic problem, is not within the scope of direct and active interest of most police chiefs." *Burton W. Marsh.*

"Possibly one of the largest disadvantages of having the traffic engineer serve in the police department is that of having a technical man working under a layman who may entirely ignore the technical approach and depend upon his own personal opinions." *Harold F. Hammond.*

"The engineer is placed under the direct control of men who are not engineers and do not understand engineering methods and, therefore, are apt to be somewhat unsympathetic toward engineering procedures. They are inclined to belittle the factual approach and occasionally expect tasks that require thoughtful analysis to be rushed through hurriedly, more or less on the basis of guesswork and opinion.

"The engineer connected with the police department is rather far removed from the engineering functions of the city that have to do with street and bridge design, reconstruction of roadways, maintenance of roadways, etc. Therefore, these municipal functions which should be carried on with the advice and help of the traffic engineer frequently are completed without even his knowledge." *George Barton.*

"Traffic engineering is much more outstanding in these cities [where the engineer is located in the department of public works or in the department of public safety] than in those in which it is subject to police influence and limitation." *Earl J. Reeder.*

There is some feeling that location of the traffic engineer in a department of public safety is not undesirable, provided the engineer is made directly answerable to the head of the department and is not subordinated to the chief of police.

WORKS DEPARTMENT FAVORED

Most advantages and fewest disadvantages appear to lie with the department of public works. Results have generally been better when traffic engineers have been placed here. The reasons are precisely the opposite of the four major disadvantages of police departments. To quote again:

"I believe that with all local conditions being equal, the most desirable location for the traffic engineer is in the public works department, if it is not possible to form an independent traffic commission or bureau.

"From a functional standpoint, the work conducted by the traffic engineer appears to be more closely related to engineering and construction work than to police and safety activities. This is emphasized by the relation of control to design and, likewise, by construction and maintenance work which must be conducted." *D. Grant Mickle.*

"When it is all said and done, I believe that the traffic engineer belongs in the engineering department [assuming that a separate department of traffic engineering cannot be established]. . . . This conclusion is based on the fact that a traffic engineer's job is primarily one of dealing with physical conditions in the city and will in most instances require direct coöperation with the street department, lighting department, etc." *Harold F. Hammond.*

"Technically speaking, the traffic engineering activities of the city ought to be related and coördinated with those other engineering activities which are usually to be found in the department of public works." *Miller McClintock.*

"I also think that the public works attitude on city problems and viewpoints as to the needs of the future tend to lead them to reach beyond some of the very minor points. . . ." *Burton W. Marsh.*

"This arrangement [location in the department of public works] permits the traffic engineer to have a close relationship with sidewalk construction, safety island construction, street repairs, design of the street system, the design of individual traffic structures, the planning and location of street lighting, the installation and maintenance of electrical signs and signals, etc.

"Being a part of an engineering division, the traffic engineer is encouraged to employ the factual approach, I believe, to a greater extent than would be the case when the traffic engineer reports to a police official.

"For matters of mere office efficiency, particularly in smaller traffic engineering bureaus, there is an advantage to being associated with the department of public works. Drafting work can be obtained simply, field workers can serve both the public works and the traffic engineer's purpose. Simple engineering assistance may be had occasionally as needed." *George Barton.*

Thomas J. Seburn, city traffic engineer of Kansas City whose office is located in the Department of Public Works, states that this arrangement has worked very satisfactorily, that he has had full support, and that it has been easy to obtain drafting and other assistance and coöperation from other divisions of the department, since they are all members of the same department. He feels also that if the traffic engineer is located in the Department of Public Works, the public will be led to see that there is more to traffic safety than police enforcement alone and that this makes for a better understanding of the task.

NEED FOR ACCIDENT RECORDS

The authorities mention one possible disadvantage of location in the department of public works. This relates to the availability of traffic accident data. Thomas J. Seburn says that he has had no difficulty in obtaining accident data from the Police Department and that ordinarily all accident reports are received by him early on the morning of the following day. Other cities also have solved the problem.

Even from a theoretical point of view, the establishment of a separate traffic engineering department does not seem advisable. First, this arrangement violates the principle of the span of effective control, that is, the principle that only a few subordinates—some writers say not more than five or six—should report and be responsible to any one executive, for otherwise the executive will be so burdened that he will not have time to do well his own job of planning and directing.[1] In the second place, the establishment of a separate traffic engineering department would make it necessary for the traffic engineer to secure coöperation and coördination from two outside departments instead of one.

All in all, the weight of advantage appears to lie quite heavily with the public works department. Here the traffic engineer seems certain of obtaining better support and more sympathetic understanding. The greater likelihood of adequate drafting and other assistance is of practical importance. As for coördination, it is needed both with police and with public works and engineering activities, but much more with public works than with police. It is only common sense to put the office in that department with which it will have the most contact. It should not be difficult to require that duplicate traffic officers' reports of accidents be sent to the traffic engineer daily. The police department may, of course, try to sabotage the work of the traffic engineer or discredit him. Jealousies may arise and may need to be ridden down by the chief executive. The creation of a traffic commission or at least of an interdepartmental committee which included representatives of both the police department and the department of public works might help. Personal contact does not always bring cordiality but it may help to gain at least working coöperation.

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[1] See, for instance, *Papers on the Science of Administration*, edited by Luther Gulick and L. Urwick, pages 7, 52, 183.

Colorado Civil Service Commissioners Impeached

Republican-controlled House of Representatives institutes proceedings against Democratic Civil Service Commission; but Democratic Senate acquits fellow party members in partisan battle between the "ins" and the "outs."

By JAMES DONALD McBRIDE
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NO GOVERNMENTAL device is more vital to a modern state than an adequate civil service based on merit. And no power is more important to a political party than patronage, the power to give jobs. The conflict between these two points of view is felt in most units of government, but seldom have political conditions been favorable to forcing the conflict into the revealing state of impeachment. Perhaps this occurred in Colorado because the impeachment was not motivated by "reformers" but was the attack of the party which was "out." The whole affair was a first-class lesson in party politics and one might suspect that the conditions which were revealed and written into the official records of the Assembly are not too unlike those in some other states. In the account which follows an attempt has been made to sketch the structure of the proceedings and to give glimpses of typical conditions uncovered.

On March 23, 1939, a bill was introduced into the Republican-controlled House of Representatives of the Colorado General Assembly which called for an investigation of the Civil Service Commission, the members of which are all Democrats. The bill was not an administration measure and little attention was paid to it. It finally passed, however, with many more Democrats voting for the investigation than voting against it. Subsequently, a five-man investigating committee with a Republican majority was appointed, given five hundred dollars, and sent on its way.

When the committee began its investigation, it subpoenaed the records of a grand jury which had met in August of 1937, almost two years before. This grand jury in its investigation of things political in the state capitol had called the Civil Service Commission before it upon three different occasions. As a result a former Republican member of the commission was allowed to resign because of perjuring himself before the grand jury when questioned about a certain misdeed committed by him as commissioner. He is now employed by the State Highway Department. It was suggested that the other two members of the commission (who were later impeached) would also do well to resign. However, they did not choose to do so.

After the House investigating committee obtained the records of the grand jury, they proceeded to se the testimony which the civil service commissioners themselves gave before it as the basis of their investigation and later as the basis of their charges against these same commissioners.

The House committee engaged a certified public accountant and an attorney and began to verify and amplify the commissioners' own incriminating testimony by digging into the records kept by the commission. They found some amazing things; for example, in an examination for a position in the sales tax division twenty-four out of seventy-five grades were changed after the official results had been published. In another case the commission, upon the request of the attorney-general, had refrained from enforcing the commission's decision to remove an important state employee and had permitted him to resign—after a month's vacation with pay.

Almost exactly one month after the investigating committee had been appointed, it reported back to the House recommending that Civil Service Commissioner Herman C. Getty be impeached on six different counts of malfeasance and that Civil Service Commissioner Mrs. Clara Wilkins be asked to resign because of several instances of nonfeasance or misfeasance. The House voted unanimously to accept the committee's report. The third member of the commission who had served only three months was given a clean bill of health.

As the regular session of the legislature was drawing to a close, it was decided that it would be better to conduct the impeachment proceedings in a special session. Governor Ralph Carr issued a call for a special session to meet April 28, 1939.

THE IMPEACHMENT

Upon meeting in special session, the House appointed a Board of Managers to conduct the proceedings before it. Later this same Board of Managers drew up the official articles of impeachment and then served as the prosecuting body in the trial before the Senate. The Board of Managers consisted of three Republican and two Democratic members of the House of Representatives. The chairman of the board was the representative who had introduced the original bill calling for the investigation and who had been chairman of the investigating committee. None of the other members had previously been connected with the investigation.

Under the guidance of the board and the attorney-general the House spent five days in going over the evidence submitted by the investigating committee and in rehearing many of the witnesses who had appeared before that committee. As the House was sitting as a body of indictment, it was not interested in hearing defenses to the charges for that would have made the proceedings a trial and so the persons under investigation were not heard at the time.

The House investigating committee charged Commissioner Herman Getty with five specific instances of malfeasance and submitted a wealth of evidence to substantiate its charges, including the commissioner's own testimony, given before the grand jury, in which he admitted several of the irregularities with which he was charged. A sixth charge was made listing five different practices of the commission in which both Commissioners Getty and Wilkins had concurred and which showed either a complete lack of ability or absolute violation of "merit" principles. Commissioner Clara Wilkins was charged with having knowledge of two specific instances of irregularities and in concurring in the general derogatory practices of the commission.

A summary of the six charges against Commissioner Getty is given below. The three charges against Commissioner Wilkins are the same as charges 1, 2, and 6.

1. With full knowledge of gross irregularities and fraud in the examination submitted by I. R. Taylor, Commissioners Getty and Wilkins concurred in the action of the commission giving Mr. Taylor the highest rating and thus causing him to be appointed superintendent of the Colorado Industrial School for Boys.

2. With full knowledge of gross irregularities in the examination submitted by Fred T. Howard, Commissioners Getty and Wilkins permitted Mr. Howard to continue as a state employee with full civil service rating from August 1937 to January 1939, a period of a year and four months.

3. With full knowledge of gross irregularities and fraud in the examination submitted by Dan C. McNaughton, Commissioner Getty concurred in giving Mr. McNaughton a civil service rating which caused him to be appointed to the position of coal mine inspector, a position which he still holds.

4. In violation of the statutes of Colorado, Commissioner Getty continued the civil service rating and employment of one Ester Landy, stenograher, knowing that she was not eligible to hold the position because of lack of age.

5. In violation of the statutes of Colorado and the regulations of the Civil Service Commission, Commissioner Getty permitted his son, Keith Getty, to submit an examination and be qualified for the position of state highway patrolman knowing that his son was beyond the age limit prescribed by law.

6. Commissioners Getty and Wilkins have not made appointments in the classified service as required by the constitution and the statutes of Colorado in the following respects:

a. They have concurred in the policy of grading all applicants the same for education and training.

b. They have concurred in the policy of grading all applicants the same for personal qualifications.

c. They have disregarded the experience of history of applicants and have arbitrarily assigned a grade for experience.

d. They have permitted promotions and transfers without competitive examination.

e. They have preferred provisional appointees over non-provisional appointees.

THE CASE OF MR. TAYLOR

The circumstances upon which the first charge is based is interesting both as a specific example and as an illustration of how the commissio worked. The charge was that bot Commissioners Getty and Wilkin concurred in giving Mr. I. R. Taylo a civil service rating which cause him to be appointed as the head o the Industrial School for Boys although they knew that it was only through fraud and gross irregularities that he was able to obtain the highest grade upon his competitive test. A certain Mr. Coombs, who seems to have been particularly well qualified for the position, was given second highest ranking.

It seems that Mr. Taylor's answers were so letter perfect when compared to the officially correct answers that it was obvious he must have obtained and memorized them. Mr. Coombs wrote a good examination. Both men were given exactly the same grade upon this written section of the examination. It was the so-called oral section which was the determining factor. This crucial section was given by the commission and consisted mostly in determining the candidates' fitness and experience. Upon this part of the test Mr. Taylor was given twenty-five points, and Mr. Coombs, twenty-two. Thus Mr. Taylor received the highest final grade by three points. The data upon which the commission assigned these grades is outlined below.

Mr. Taylor—25 points:
  Four years of high school
  Insurance salesman
  State purchasing agent
Mr. Coombs—22 points:
  Four years of high school
  Four years of college
  Two years of post-graduate study
  Professor of military science
  Chief technician, State Highway Patrol
  Camp director
  Athletic director of the Highlander Boys

The grand jury in 1937 suggested that Mrs. Wilkins was appointed to the commission because she agreed to secure Mr. Taylor's appointment to the Industrial School. Mrs. Wilkins insisted, however, that this was not so, but that she had been appointed to obtain the political support of her patron ex-Governor William Adams in the campaign of Governor Edwin Johnson for United States senator.

The tragedy of Mr. Taylor's appointment is forceably brought home by conditions in the Industrial School for Boys, which were so bad as to cause an independent investigation long before the present civil service investigation. This disclosed that disciplinary conditions and living conditions among the boy prisoners were deplorable, that the number of escapes from the institution was high, that the school had purchased such things as ladies' underclothes for delivery to the warden's wife, and that the warden had access to a secret bank account which was replenished, at least in part, by requisitioning materials from the state and then selling them for cash. As a result of this investigation, Mr. Taylor was allowed to resign.

THE CASE OF MR. HOWARD

Perhaps the most significant case of all is the one which has evolved around Mr. Howard. It was this case which caused former Commissioner Alexander, a Republican, to resign after the grand jury investigation in 1937.

Mr. Howard took a competitive test for work in the sales tax division. Certain circumstances such as his limited ability and his nervous condition caused by the illness of his wife are said to have made him do poorly. After the examination was over Mr. Howard went to his friend Commissioner Alexander and asked if he couldn't recopy his test that night. The commissioner obligingly took the test out and gave it to him. Mr. Howard "recopied" it that night and the next day Commissioner Alexander put it back in the files. Mr. Howard passed the test and was given a civil service appointment.

When asked by the grand jury about the truth of these circumstances, Commissioner Alexander at first denied them. Later he resigned because of this perjury. But Mr. Howard kept his position.

The present commissioners, Mr. Getty and Mrs. Wilkins, are charged with doing nothing and allowing Mr. Howard to remain on the payroll for one year and four months after the facts in the case had become a matter of public record. When the commissioners did act it seemed to be not because of the merit principles involved but because of political pressure. The newly elected state treasurer, a Republican, had had several points of difference with the commission and he seized upon the case of Mr. Howard as a point of attack. When this pressure became uncomfortable, Commissioner Getty called Mr. Howard into the commission's office and explained to him that the new state treasurer was going to "make a stink" over him (Mr. Howard) and it would probably be better if he would resign. Mr. Howard finally resigned.

PROVISIONAL APPOINTEE TRICK

The friction between the new Republican state treasurer and the Democratic Civil Service Commission throws some interesting sidelights on the operation of the civil service. One instance which stands out is the struggle over the attempt to use the old special title and provisional appointee trick.

When the new treasurer took over the Treasury Department from his Democratic predecessor, he notified the Civil Service Commission that he was going to reorganize the department and so he discharged about fifty employees. After "reorganizing" he notified the commission of the titles of the new employees needed and presented a list of his provisional appointees for the commission to certify and place on the payroll. This the commission refused to do. The commission had never given any tests for employees under the new titles, however, and did not have a list of eligible workers to certify to the positions. Under such circumstances it is customary to certify the provisional appointees of the department head. This time, however, since the work of the new "adjuster" seemed similar to that of the old "revenue collector," the commission sent back the names of the men the treasurer had just discharged. The treasurer rejected these men and sent a note to the commission in which he said, "I deny the right of the Civil Service Commission to fill any of the positions involved from any list in view of the action taken by your commission upon the creation of these positions by my predecessor." It seems that the law gives the head of a department the right to organize his department and the previous Democratic treasurer had done so. The new Republican treasurer, however, was not given the same privilege. When the situation reached an impasse and the Civil Service Commission threatened to give tests under the new titles, the state treasurer brought suit in court to enjoin the commission from giving tests to fill the new positions.

Some people wonder if the immediate political cause bringing about the investigation and impeachment is not to be found in this feud between the treasurer and the commission.

OTHER CASES

In the case of Mr. Dan McNaughton, coal mine inspector, Commissioner Getty testified before the former grand jury that immediately after giving the test to Mr. McNaughton he looked over the latter's paper and noticed that only about one-half of the questions had been answered. Later he discovered that Mr. McNaughton's paper had become almost perfect. In spite of his knowledge of this unusual occurrence, Commissioner Getty concurred in giving Mr. McNaughton the civil service rating which caused him to be appointed to the position which he still holds.

Charge number four concerned one Ester Landy, stenographer, who falsified her age in order to come up to the required twenty-one years. When another stenographer who was unemployed informed Commissioner Getty of Miss Landy's true age at the time she took her examination, the informant was told to forget it and he (Mr. Getty) would see what he could do for her. She was given a job.

In reply to charge five, Commissioner Getty said that he was out of town when his son, who was over the age limit prescribed by law, took the test for highway patrolman.

In connection with the charge that the commissioners preferred provisional appointees over non-provisional appointees, it is interesting to note a statement in defense of the practice made by ex-Governor, now United States Senator, Johnson. He said, "It has been an unwritten law since the inception of the civil service in Colorado to make the provisional appointees of the governor and other heads of departments permanent."

COMMISSIONERS IMPEACHED

The House spent five days in going over the mass of evidence to support the charges of malfeasance, then voted upon the question of impeachment. Commissioner Getty was impeached by a vote of fifty to nine; Commissioner Mrs. Wilkins by a vote of forty-two to seven.

On May 9, 1939, Mr. Getty and Mrs. Wilkins were arraigned before the Senate of Colorado and impeached upon charges of malfeasance. Both defendants entered pleas of not guilty.

In drawing up rules of procedure, the Judiciary Committee of the Democratic-controlled Senate adopted the so-called gag rule; that is, all Senators and the prosecuting Board of Managers of the House were forbidden to ask questions or to submit questions in writing. They must remain passive and hear only what the attorneys for the prosecution or defense choose to bring out.

The attorney for the Board of Managers began the trial of Commissioner Getty by presenting the evidence upon which the House had based its impeachment. The witnesses which had already appeared before the investigating committee and the House were re-heard before the Senate. The prosecution took almost three days to present its evidence.

On the afternoon of the third day the defense took over and placed Commissioner Getty upon the stand. Mr. Getty was under the handicap of having admitted before a grand jury that he knew of several of the irregularities charged in the articles of impeachment. Commissioner Getty's defense was that he had orally protested to the other commissioners against the way in which the cases were handled. The only witnesses called by Commissioner Getty were two "character" witnesses. Then, after having had the floor for only a few hours, the defense rested its case.

COMMISSIONERS ACQUITTED

A vote of guilty or not guilty was taken upon each of the articles of impeachment. The state constitution requires a vote of two-thirds of all the senators elected or twenty-four votes to convict a person on impeachment charges.

When the vote was taken upon the guilt of Commissioner Getty, it was found to stand, guilty eleven, not guilty twenty-one. Eleven Republicans had voted guilty and twenty-one Democrats had voted not guilty on articles 1, 2, 3 and 6. On article four the vote was twelve to twenty, and on article five it was four to twenty-eight. The Senate had formally acquitted Civil Service Commissioner Getty.

As soon as Commissioner Getty was acquitted, Commissioner Mrs. Wilkins was placed on trial. As the charges against her were the same as the three charges against Mr. Getty and since they rested upon much the same evidence, all prosecution and defense were dispensed with and a vote was called immediately. The result was a vote for her acquittal, the same party lines holding as in the vote upon Mr. Getty.

After having heard plentiful and unquestioned evidence substantiating five specific charges of malfeasance in office, and after having heard testimony given before a former grand jury in which the commissioners themselves admitted the truth of several of the irregularities with which they were charged, and after an amazingly short defense which did not attempt to seriously meet the charges, the Democratic-controlled Senate decided that the commissioners were not guilty of the charged malfeasance in office.

The declared feeling of the majority of the Democratic senators was that the evidence presented was not of a kind that warranted the severe punishment of impeachment. (Officers convicted on impeachment are removed from office and are forever barred from holding an office of trust, honor, or profit under the state.) They pointed out that no evidence had been submitted seeking to show that the commissioners had committed crimes such as accepting bribes, but that the only charges against them were those of violating laws of procedure.

It is interesting to note that had the Democratic party allowed the two commissioners to be impeached, it would probably have lost its majority upon the Civil Service Commission, for the two new commissioners would have been appointed by a Republican governor.

COMMISSIONERS STILL LIABLE

The prosecution of the two commissioners does not need to stop with their acquittal. The constitution of the state specifically says, "The party [impeached], whether convicted or acquitted, shall, nevertheless, be liable to prosecution, trial judgment, and punishment according to law" (art. 13, sec. 2). Therefore, the charges brought before the Senate could still be brought before a court of law. There has been no attempt to do so, however. The official attitude, as expressed by the Governor, is that now that conditions in the civil service have been aired before the public, it is up to the commission to bring about their correction.

The present situation in Colorado brings home the fact that to secure good government one cannot rest content with form or law. Legally, Colorado has had a merit system for thirty-two years. When the first law was jockeyed through the legislature in 1907, only two other states had merit system laws. The merit system was never accepted, however, and the spirit of the statute was continually violated. After the reformers became disappointed with the way in which the statute was abused, they made use of the initiative to propose a merit system amendment which was voted into the state constitution. Men of selfish purpose, however, soon learned to live within the new framework imposed upon them. They even became desirous of the three new jobs of commissioner at three thousand dollars a year. They also discovered that the civil service could be used as effectively to further political ends as to promote efficiency.

Impeachments, because of their rarity and the prominence of their actors, have definite interest-commanding qualities. Through the recent impeachment the people of Colorado have been made aware of the conditions in the civil service of the state, and they seem genuinely shocked. The lengthy daily accounts in the press have developed considerable public opinion against the present manner of administering the service. The final result of the impeachment, instead of being a shift in the political membership of the commission, may be a demand from the people for fundamental change in the administration of the civil service.

Contributors in Review

MARITAL collaboration and an interest in civic movements and political science respectively produced **Priscilla C.** and **Howard M. Kline's** *Saginaw: A Lesson in Coöperation.* Other concomitants to their study of Saginaw were the urging of the Committee on Public Administration of the Social Science Research Council, who wished to use the work as a collaborative field effort in their collection of studies on the manager plan, and the help of George C. S. Benson, of the University of Michigan, who contributed to the original draft. Both Dr. and Mrs. Kline studied at Syracuse University, he in the School of Citizenship and Public Affairs, she in the graduate school. He has taught in a number of universities, including his present connection at the University of Maryland; she has taught in the public schools of several states, including, at the moment, the District of Columbia.

BY WAY of background for his studies in local government as an Alfred P. Sloan fellow at the University of Denver, **James Donald McBride** (*Colorado Civil Service Commissioners Impeached*) has had almost the whole world. He traveled to Europe during his undergraduate years and to Asia as a graduate where he "spent some time observing and avoiding the militaristic government of Japan and its new empire in the east. These experiences have convinced me that the preservation of those American values we call democracy begins at home, in our state and local governments as well as in our national government."

RANKED in 1936 the seventh best tennis player in the nation by the United States Lawn Tennis Association, **John McDiarmid** (*Streamlined County Government—Los Angeles Style*) nevertheless found time to be awarded the Ph.D. by the University of Chicago in the same year. He became, at the same time, instructor in politics at Princeton University, published a book on *Government Corporations and Federal Funds* (1938), and wrote for such scholarly journals as the *American Political Science Review, Public Opinion Quarterly, Texas Law Review, Library Quarterly, Annals* of the American Academy—and *American Lawn Tennis.* Since 1938 Mr. McDiarmid has been assistant professor of public administration at the University of Southern California.

ALTHOUGH now engaged in preparing an administrative manual for the Immigration and Naturalization Service of the federal Department of Labor, **C. Herman Pritchett** (*English Local Government Faces War*) comes by his knowledge of English local government from first hand observation. He held a post-doctoral fellowship from the Social Science Research Council last year which took him to England for research materials. Dr. Pritchett is an ex-employee of the Tennessee Valley Authority as well.

ADDED together, the respective experiences of **John Thurston** and **John Ackermann** (*Where to Put the Traffic Engineer*) would make a complete tour of the governmental scene—city, county, state, national, official, research, and professorial. Mr. Thurston is now teaching political science at Northwestern University. He was formerly a staff assistant with the League of Minnesota Municipalities, a fellow at Brookings Institution, a personnel investigator in the Personnel Office of the federal Farm Credit Admin-

(Continued on Page 816)

Our Invisible Government

The committee system in our legislative bodies and how it works.

By **CHRISTOPHER M. GALLUP**, *North Stonington, Connecticut*

IF voters interested in good government had utilized "invisible government," so-called, to secure a council-manager charter, the unit system of realty appraisal, proportional representation, or a much needed trunk line highway, as well as to defeat reactionary legislation, they would be likely to regard it as a pretty good thing. Per contra, if they had encountered it only as an insurmountable obstacle in the path of some cherished brain child, they would undoubtedly regard it as a bad thing. But good or bad, the fact that "invisible government" comes down to us through centuries of parliamentary experience, is a pretty clear indication that we shall have to live with it for some time to come. So one might as well learn how it works, and then make the best possible use of it. Perhaps our Connecticut picture will help.

THE COMMITTEE SYSTEM

"Invisible government" is rooted in the well known inability of legislative bodies to function except via the committee system. If anyone has ever suggested a practical alternative to the committee system, more than half a century of journalistic and political experience has failed to bring it to my attention. So we just have to have legislative committees, and somebody has to determine their membership. That somebody has been (at least nominally) the Speaker of the House of Representatives and the President Pro Tempore of the Senate, and "for a time whereof the memory of man runneth not to the contrary."

In theory at least, the Speaker is elected by the House of Representatives, and the President Pro Tempore by the Senate, but in practice their names are pretty well "understood" some weeks before their formal election. Friends of the candidates for these important positions make their recommendations to the chairman of the State Central Committee for the party winning the election, and from such recommendations the chairman makes his choice. By the time the legislators meet in party caucus the night before the General Assembly convenes, the state chairman's choices are so well known that it is most unusual for a senator or representative to "stick his neck out" by appearing in opposition.

COMMITTEE ASSIGNMENTS

Formal election of the legislative caucus nominees comes with the first Wednesday in January of the odd-numbered years, and then the rules of the preceding General Assembly are adopted, usually without amendment. These rules put upon the Speaker the all but impossible task of announcing his committee assignments on the following Tuesday. Of course the Speaker has to have help, and the members of his State Central Committee are naturally the ones to help him. They do this by canvassing the elected legislators as early as may be practicable, and reporting their individual preferences to party headquarters, along with their own recommendations. Out of 267 members in the present House, 109 requested assignment to the committee on appropriations, and 75 to the committee on roads, rivers and bridges.

Now a good legislative committee assignment is a fairly dependable rung in the ladder of political promotion. It gives the capable representative an opportunity to demonstrate his abilities before a goodly number of his party associates, many of whom are destined to be delegates to subsequent nominating conventions. Consequently every ambitious and well informed legislator is anxious to keep in the good graces of the State Central Committee member for his particular constituency.

Back in the pre-grand jury days, when the "old guard" was firmly in the saddle, a newly elected speaker might have suggested changes in the typewritten list of committee assignments prepared for him at his party headquarters some time before his election. We just don't know. But the grand juries did bring out how former members of the State Central Committee had capitalized the hopes and loyalties of legislators indebted to them for their committee assignments, and collected huge sums for getting certain bills passed and others defeated.

It is sometimes possible to get results from invisible government without such improper means. If you wait until after the election to interest a representative in what you regard as desirable legislation, you may expect it to receive careful consideration. But if you take time by the forelock, crystallize your own ideas, get the right administrator of a state department to give you the benefit of his experience and judgment, organize a group to "make a noise like a voter," and then negotiate with your district member of the State Central Committee well in advance of the election, you may be surprised to see how easily your altruistic dreams can come true.

Of course, the seeker after special privilege knows how the foregoing system works, and probably a lot more besides. It would make a rather discouraging picture except for the fact that invisible government is kept from getting out of bounds by rotation in office. Any member of a State Central Committee is likely to do pretty well by his constituents for one or two terms. But if he stays in office term after term, such probability decreases with every re-election.

COUNTY DISORGANIZATION

(Continued from Page 772)

consent to consolidation because of the secondary liability for the debts of Billings County.

These and other practical and psychological reasons for failure to carry out county consolidations will no doubt persist. Nor is it at all certain that the new technique of disorganization and attachment to organized counties will overcome all of these problems. In fact there is grave doubt that such a plan can prove to be more than a temporary expedient because it has the great disadvantage of leaving the citizens of the county without a voice in their local government.

In the final analysis, however, it is an intelligent public opinion which serves as the best weapon against continuation of outmoded forms of government in a democracy. Whatever else this law may accomplish, it has already given impetus to further study of county problems by members of the legislature and if some action is started, whether brought to satisfactory conclusion or not, the basic questions involved will be placed squarely before the voters in some one or more financially troubled political subdivisions.

The Researcher's Digest: November

Newark Research Bureau discovers a paradox in cash basis law and a method of curing it.

AMONG the various kinds of attempts to rescue municipalities from their depression difficulties and to prevent the recurrence of such difficulties, New Jersey's pioneering efforts with mandatory cash basis have attracted a great deal of attention. The question is not only whether cash basis is a useful principle, but also whether the New Jersey law may be taken as a model to guide other states and localities.

A new pamphlet of the **Newark Bureau of Municipal Research,** called *A New Measure of Cash Basis,* therefore takes on greater importance than might ordinarily be given to a study of local application. The bureau has studied the "operating cost" of cash basis in Newark during the past five years, in the light of the experience with tax delinquency and the budget reserve established to offset such delinquency. Under the cash basis system, it will be remembered, the municipality is required to add a "reserve" to the current tax levy so that collections in cash will equal the amount needed, thus avoiding any need for borrowing against uncollected taxes. On the other hand, delinquent tax collections are permitted to be included as a receipt in the budget, as an offset to the aforementioned reserve, because no commitments or loans are outstanding against such taxes. The bureau points out that the "net cost" to cash basis is zero if delinquent tax collections equal delinquency on the current levy—in which case the amount of delinquent taxes outstanding must remain unchanged; that there is a "net credit" from cash basis if delinquent tax collections exceed delinquency on the current levy—in which case the amount of delinquent taxes outstanding must decrease; and that there is a "net cost" to cash basis if delinquent tax collections are less than delinquency on the current levy—in which case the amount of delinquent taxes outstanding must increase.

But these "cash basis rules" did not seem to apply to Newark, the bureau found. For although the delinquent tax collections were less than delinquency on the current levy, delinquent taxes outstanding had decreased, *not* increased!

Seeking the reason for the apparent paradox, the Newark bureau discovered that "the operation of cash basis under present statutory requirements provides a reserve not only for uncollected taxes but also, automatically, for assessment abatements. If taxes are levied in one year on values which prove to be false—through assessment reductions and remission of taxes—this experience is automatically reflected in the reserve requirement for the following year. Assessment abatements, after the levy has been fixed, reduce the amount of the levy actually collectible, and also reduce the ratio of collections when related to the full levy. As a result, tax collection estimates in cash basis budgets automatically provide not only for anticipated uncollected taxes, but anticipated assessment abatements as well."

The remedy? "If a change were made providing that the city should include an appropriation for abated taxes, as was done formerly, then the city should be permitted to estimate current tax collections on the basis of actual experience in relation to the amount collectible. With abatements provided for, there would be no reason to require the city to estimate only on the basis of collections from the total levy. Unless this is done, and with a fluctuating amount of assessment abatements, erratic trends in tax collection experience, and in the amount of reserve required, will continue."

Calling the present method "definitely misleading, and unfair to the principle of cash basis operation," the bureau says that it is prepared to draft legislation to give its suggestions effect.

War and Research

An ominous reminder of the effects of war on this continent is contained in the September 20th *White Paper* of the **Toronto Bureau of Municipal Research.** A note on the first page of the article, devoted to "The Trend of Development in Police Administration," says: "This *White Paper* was drafted before the outbreak of war. It is evident that the pressure of work on the force in discharging its duty of protecting the lives and property of citizens will be greatly increased."

Government Workers in Kansas City

The **Kansas City Civic Research Institute** issued two bulletins on September 21st and 28th dealing with "City Employees—1928, '38, '39," and "County Employees—1928, '39." Four out of nine city departments had less employees in July 1939 than in December 1938, and the grand total for July 1939 was almost a thousand less than in 1938. A similar decline in number of employees has occurred in the county government.

"Dollars and Sense"

The **Governmental Research Institute of St. Louis** inaugurated a new series of one-page releases on October 5th, to be called "Dollars and Sense in Government." To supplement the institute's periodical, *Mind Your Business*, the new bulletins will constitute a capsule of facts of local interest for local citizens, and will appear as often as material warrants. The second issue of the new series also appeared on October 5th, comparing the bonded debt of St. Louis with that of twelve other American cities.

Research Bureau Reports Received

Finance

A New Measure of Cash Basis. Bureau of Municipal Research, Newark, N. J. October 1939. 14 pp.

Public Revenue, Expenditures and Debt. Citizens' Research Institute of Canada. *Canadian Taxation*, September 30, 1939. 3 pp.

Trend of Local Costs in N. Y. State. New York State Bureau of Governmental Research. *Bulletin*, October 2, 1939. 2 pp.

Parking Meters

Parking Meters. Buffalo Municipal Research Bureau, Inc. *Just a Moment*, October 19, 1939. 3 pp.

Personnel

"City Employees—1928, '38, '39." Civic Research Institute. *Kansas City Public Affairs*, September 21, 1939. 5 pp.

"County Employees—1928, '39," Civic Research Institute. *Kansas City Public Affairs*, September 28, 1939. 4 pp.

Local Government Employees Per 1,000 Population. New York State Bureau of Governmental Research. *Bulletin*, September 25, 1939. 4 pp.

School Enrollment and Personnel. Civic Research Institute. *Kansas City Public Affairs*, October 5, 1939. 5 pp.

Public Safety

The Trend of Development in Police Administration. Bureau of Municipal Research, Toronto, Canada. *White Paper No. 242*, September 20, 1939. 4 pp.

War

How to Keep Out of War. The Dayton Research Association. *Facts*, Bulletin No. 66. September 25, 1939. 1 p.

Water and Sanitation

Water and Sewage—A Community Problem. The Citizens League of Cleveland. *Greater Cleveland*. September 21, 1939. 4 pp.

News in Review

City, County, State Progress in Brief

Two Cities Seek to Abandon Bicameral Councils

Norris, Tennessee, may incorporate as town; states cooperate on relief and boundaries.

By H. M. OLMSTED

Two large cities, of the few which still retain two-house legislative bodies, are making an attempt to secure single-chamber councils.

Providence, Rhode Island, is to vote November 7th on a new city charter which will provide a strong-mayor type of government. A single-chamber council of twenty-six members, two to be elected from each of the city's thirteen wards, would replace the present bicameral legislative body. It is also provided that a civil service system similar to that of the state is to be established in 1941. Little interest among the electorate is evident and no special effort in the form of a campaign has been in progress, according to recent reports. The Providence Charter League and the *Providence Journal* and *Evening Bulletin,* the city's only newspapers, have criticized portions of the proposed charter but are supporting it as an improvement over the present charter.

The charter change committee of the Richmond, Virginia, Board of Aldermen has approved a proposed ordinance calling for a special election on the question of a one-chamber city council instead of the present two-chamber body, and has referred it to the board as a whole. The Common Council pigeonholed a similar ordinance although recommended by its committee on charter changes.

Government of Norris, Tennessee, Studied

Norris, Tennessee, an unincorporated town of approximately 1,100 inhabitants, came into existence as a result of the construction of Norris Dam by the Tennessee Valley Authority. Instead of providing a temporary construction camp that would be scrapped upon the completion of the dam, Norris was planned as a permanent community with the intention that it eventually would become a normal town operating under the laws of Tennessee.[1] As families of persons employed in the construction of Norris Dam left for other employment, new families took up residence in the town. At present the inhabitants include a substantial proportion of families whose employment is in Knoxville or in other near-by towns.

Since the beginning the town of Norris has been owned and managed by the Tennessee Valley Authority. Nevertheless, a limited amount of citizen participation in the town's affairs has been provided. Early in 1936, at the suggestion of the town manager, a Norris Town Advisory Council was established to aid the manager in formulating policies. It was composed of eight representatives, one member being chosen by each of the eight organizations then in existence in the town. After a referendum vote of the citizens in December, 1936, this body was superseded by the present Norris Town Council, consisting of nine members elected for a term of one year by the system of proportional representation.[2]

The present council has no actual powers but acts only in an advisory capacity to the town manager. For example, it advises with the town manager on the preparation and adoption of regulations governing matters of community interest and on the nature and quality of the municipal services offered; and works with him in the preparation of the operating budget for these services. It also advises as to rates charged for and services provided by the water and electric distribution systems, and as to rental policies and procedures and the quality of upkeep and management of residential properties.

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[1] See Tracy B. Augur, "The Planning of the Town of Norris," *American Architect,* April 1936, pp. 19-26.

[2] For a description of the operation of P.R. in Norris, see NATIONAL MUNICIPAL REVIEW, March 1938 and March 1939.

While the citizens of Norris, through their elected town council, participate to some extent in the management of the town, it is felt that the time has arrived for working out a permanent arrangement whereby powers of local self-government can be vested in the citizens. Consequently there has been established a joint committee, on which both the TVA and the citizens of Norris are represented, "to study and report upon a practicable and satisfactory form of permanent self-government for the town of Norris, to be achieved by incorporation of the town as a Tennessee municipality, or by other appropriate measures legally vesting powers of local self-government in the citizens of the community through their elected representatives."

Dr. Charles M. Kneier, professor of government at the University of Illinois, has been designated as part-time consultant to work with and to advise the joint committee in its studies.

M. H. Satterfield
Tennessee Valley Authority

Interstate Cooperation on Relief Problems and Boundary Disputes

State welfare officials are looking to interstate agreements as a possible solution to the problem of administering social security and general relief benefits for non-residents under the present wide variations in residence requirements, according to the American Public Welfare Association. The association has been holding regional conferences in New England, the eastern states, and the central states; conferences will be held in other regions within the next few months. At least a dozen states have taken the first step by adopting working agreements to facilitate the interstate transfer of one or another class of dependents.

Residence requirements or "settlement laws" were adopted by the states many years ago to make it difficult for tramps or paupers from one locality to move to another and "go on the town." With the advent of the social security program, many states which required lengthy residence—up to ten years—reduced the time to five years, the maximum set by the federal act, while certain others with lower limits raised them. Nevertheless, the wide variation in residence laws, the conferring states reported, "works a definite hardship on individuals who as a part of our industrial and agricultural economy are required to move from one state to another."

Until the settlement laws are standardized or repealed, the states can form reciprocal agreements to provide for interstate services in such programs as old-age assistance, child welfare, and general relief, the association said. The ultimate purposes of such agreements are: to permit interstate visiting of recipients of public assistance, to allow interstate transfer of dependent persons, and to arrange for continued care and social study by one state of recipients moved to other states. Most of the states have the necessary authority to enter formal interstate agreements, and where it is lacking informal arrangements can usually be made.

Alabama Ninth State with Public Safety Department

Following an increasing trend among the states, Alabama is remodeling its state highway patrol into a department of public safety under a 1939 legislative provision, the International Association of Chiefs of Police reports. Alabama is the ninth state to establish a state police agency with more than highway patrolling powers. The new department, set up October 1st, will consist of a highway patrol, with powers of peace officers as authorized by the governor, and a drivers' license division. Fees for the licenses, which will be issued immediately for a two-year period, will pay for salaries and equipment of the patrol force.

Legislatures Busy in 1939

The forty-four state legislatures that met in regular session in 1939 sat for an average of 111 calendar days, a survey by the Council of State Governments shows. This was approximately ten days longer than the average sessions of either 1937 or 1935. An average of 402 new statutes was enacted (based on forty-two of the forty-four), California heading the list with 1,124.

Legislative Program Adopted at Kentucky League Convention

The Kentucky Municipal League held its tenth annual convention in Danville September 19, 20, and 21. The league adopted a legislative program, to be submitted to the 1940 session of the General Assembly, which embodies the desire of the city officials that the state extend local autonomy in certain purely local governmental matters and in certain other technical functions now state-performed, and that cities be granted participation in state revenues, notably the state gasoline and automobile registration tax. (The cities have municipal motor registration taxes.) The program also includes legislation enabling cities to finance the construction of municipal gas plants through the sale of revenue bonds.

The problem of municipal home rule, the future of the TVA in relation to the cities in its territory, city planning, the benefits of municipal coöperation, and the immediate program of the U. S. Housing Authority, were presented by prominent speakers.

One of the sessions was given over to a discussion, by Commissioner of Revenue H. Clyde Reeves, of the purposes and objectives of the Department of Revenue of Kentucky in its recently adopted policy of requiring annual financial reports from all cities. This action was taken pursuant to authority granted to the department by the 1938 legislature, and the form of statement adopted was drafted with the coöperation of the league. Mr. Reeves stressed particularly uniformity of procedure and terminology, and pointed out the benefits to be derived locally from good reporting.

At other sessions R. K. Cullen, of the Kentucky Statute Revision Commission, discussed the objectives of the commission with respect to the statutes governing municipalities, and Captain V. A. Beam, director of state firemen's training, explained the operation of this recently inaugurated undertaking of the Division of Fire Prevention and Rates of the State Insurance Department.

The league's financial position was materially strengthened by the unanimous vote of the convention to increase the dues schedule. Mayor Joseph D. Sholtz of Louisville was elected president for the ensuing league year.

James W. Martin
University of Kentucky

Oregon's Governor Names Pension Study Committee

Governor Charles A. Sprague of Oregon has appointed a committee of 22 members to study and develop plans for an annuity retirement system for state and local employees in Oregon. At recent sessions of the legislature proposals have been advanced for the establishment or financing of pension systems for various special groups including firemen, policemen, Multnomah County employees, state employees, school teachers, and employees of higher education, but there has been no general program advanced for all groups. To meet this situation Governor Sprague has appointed to the committee representatives of all of the special groups of public employees that have been seeking pension legislation and has charged them with the task of working out a plan for all public employees.

In instructing the committee at its first meeting Governor Sprague said:

> In proposing retirement systems for public employees I am merely proposing that government keep pace with enlightened business corporations and that it do itself what it now requires of employers and employees in industry. The reasons are not merely humanitarian, but practical, because there is a tendency to retain superannuated employees to the detriment of the public service where no retirement system is provided. . . . It should be understood that what I have in mind is not a pension system whose full cost is borne by the units of government which are the employers, but an annuity system based on contributions made by the employees either in full or in part.

Henry F. Cabell, chairman of the State Highway Commission, was named chairman of the committee, and Sigrid Unander, the Governor's research director, was named secretary. With the assistance of various employee groups, the committee intends to gather detailed information on the present personnel of all governmental units in Oregon.

HERMAN KEHRLI
University of Oregon

Indiana's Commission for City Manager Legislation

The final member has been appointed to the Indiana City Manager Study Commission. This commission was established by the 1939 session of the legislature to study, draft, and submit to the 1941 session such legislation as is necessary to provide authority for the adoption of the manager plan in cities throughout the state upon an optional basis.

The commission is required by law to complete its study and to make its report to the Governor before October 1, 1940. The commission is composed of two university professors, P. S. Sykes of Indiana University and Clarence W. Efroymson of Butler University; two businessmen, J. W. Esterline, manufacturer, who has long been interested in the city manager plan of government, and Eli Lilly, of the prominent Indianapolis drug manufacturing firm; two members of the state legislature, Representative Roy Harrison, Republican, of Attica, and Senator Alfred Randall, Democrat, of Fort Wayne; and one public official, Virgil Sheppard, assistant administrator of the Indiana Welfare Department.

The first meeting of the commission probably will be held within a short time.

VIRGIL SHEPPARD
Indiana Welfare Department

Council-Manager Plan News

The council of Chewelah, Washington, has appointed a "supervisor of city departments" whose duties are similar to those of a city manager.

Los Gatos, California, defeated a proposed manager charter submitted to a referendum on October 23rd.

The Ohio Supreme Court has refused to order Portsmouth's city council to accept petitions requesting a referendum on amending the city charter to abolish the city manager form of government in favor of a return to the old mayor-ward council system. The court's decision upheld the city council's rejection of petitions circulated by the charter recall committee on the ground that the petitions d not contain the names of certain elec-rs sponsoring them.

The Berkeley County Junior Board of :ade has advocated the city manager an for Martinsburg for several months ıd a formal petition was presented to e council by its president, Preston ooper. Council denied the petition, say-g that it lacked sufficient signatures, but vertheless passed a resolution directing at an election on the question be held June.

In Englewood, New Jersey, Bernard ırteltaub, Democratic candidate for ayor, has promised that one of his first commendations on taking office would the adoption of either the city manager rm of government or revival of the po-ion of city supervisor in order "that ıglewood should have a full-time paid ecutive trained in municipal affairs to t as its business manager while the ayor and council function as a board of rectors."

In Atlantic City, New Jersey, the People's eague for Efficient Government has ened an active campaign for the man-er plan.

The town of Lincoln, Maine, will vote the town manager plan early in Nov-ıber at its town meeting.

The Arcadia (California) Good Govern-ent Association is making a study of the anager plan and has presented a resolu-ɔn to the city council proposing that e city government be changed from that a sixth-class city to a higher class or arter city, and that pending such a ange the city employ a business man-er to run the various departments.

A committee of the Ellensburg, Wash-gton, Chamber of Commerce is study-g forms of city government with par-ular attention to the manager plan.

Other municipalities where particular terest in the manager plan is reported clude Newport Beach, California; elena, Montana; Sand Springs, Oklahoma; Thomasville, Georgia; Weirton, West Virginia; and Port Huron, Michigan.

Alabama City Uses Voting Machines

Following closely after their legislative authorization in August, voting machines were employed for the first time in an Alabama election on September 11, 1939, when Mobile voted on three candidates for the office of mayor. A total of 6,799 votes were cast and unofficial complete returns were available within one-half hour after the closing of the polls. No difficulties in the use of the machines were reported. Satisfaction was voiced by candidates and electors at the speed and accuracy of the count, and comment throughout the state was favorable.

Mobile has been the principal leader in Alabama in the movement to secure the authorization of voting machines. Following several years of criticism of the traditional election procedure, statutory authorization was secured permitting counties to purchase and employ voting machines. In a test case, however, the voting machine law was invalidated[1] as being in violation of the constitutional requirement that election laws be uniform throughout the state. Following this rebuff, the voting machine adherents were successful in securing popular approval of a constitutional amendment in June, 1939, which had the effect of removing the judicial ban. The legislative enabling act was quickly forthcoming.

WELDON COOPER

University of Alabama

Seattle Municipal League Sponsors Local Government Forum

Launching of a Local Government Forum, to be sponsored by the Municipal League of Seattle and conducted by outstanding business, educational, and political leaders of the state, took place October 17th, with the first of a series of ten weekly forum meetings to study the structure, organization, and functions of local government for the purpose of developing a comprehensive survey of the operation and correlation of governmental units.

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[1] *McCall v. Automatic Voting Machine Corp.*, 236 Ala. 10, 180 So. 695 (1938).

All elective county officials have been invited to participate in the first series, which will present a comprehensive outline of the background and structure of government in King County, and the functions of its various departments.

Attendance is limited to members of the Municipal League and invited guests.

Coöperation of the Department of Political Science at the University of Washington has been secured.

Civic Effort and Court Activity Cut Traffic Deaths in Seattle

The Seattle Traffic and Safety Council, which is actively supported by leading citizens and firms and has a thousand regular members paying two dollars annual dues, has sponsored a unique safety campaign striving to achieve as many deathless days as possible for the city's traffic. The program started May 1, 1939, and brought forth one stretch of fifty-five death-free days. As soon as a death ends one campaign another starts. There has been a substantial fatality reduction as a result of enlisting popular and newspaper interest and support as well as outside curiosity in the program. The council supplements the regular traffic police with some three hundred citizen traffic observers who report all flagrant and dangerous violations of rules of the road.

Since Judge William F. Devin was appointed to the Municipal Court which handles all traffic cases, the percentage of traffic tickets reported on, that is, with bail fixed or trial held, has risen from 46 per cent in 1938 to 77 per cent for the first five months of 1939 and better than 90 per cent for June, the last month on which data is available.

Compared with the same period in the prior year, the 1939 record from May 1st to September 15th indicates that fatalities are down 37 per cent and all accidents are down 24 per cent.

Chicago Recodifies Laws

A completely revised and up-to-date municipal code for Chicago, Illinois, which has been in course of preparation during the last three years, was published in October. The recodification was made under the direction of Mayor Edward J. Kelly by the city's Law Department headed by Corporation Counsel Barnet Hodes. It is now available at one-third the price of the last previous codification, that of 1931, which sold for $15.

The new code is in loose-leaf form, and provides for the insertion of additional pages at regular intervals of six months, at a nominal cost, so that the code will be kept constantly up-to-date. A new decimal system of code numbering, the elimination of the grouping of miscellaneous unrelated materials, the establishment of clear and definite titles and subtitles, and the consolidation of related or duplicated provisions, are among the improvements.

New York University to Give Scholarships to City Employees

A Mayor LaGuardia scholarship fund of $2,000 was recently established at New York University, according to the *Civil Service Bulletin,* published by the New York Municipal Civil Service Commission. This fund will make available to city employees four scholarships of $200 each, eight scholarships of $100 each, and 20 additional $20 scholarships to meet tuition fees in the university's graduate division for training in public service. Money for these scholarships, according to Provost Rufus D. Smith, who is in charge of New York University's Graduate Division, will be derived from the savings effected by having Mayor LaGuardia and city comssioners and department heads serve as cturers in a course on "Government and lministration of New York City," to be nducted at the college during the com- semester. The compensation that would dinarily be paid to lecturers for this urse will be utilized for the scholarship nd.

IA Meets

The American Municipal Association, tional federation of the state leagues of unicipalities, met in Chicago November 3 in its sixteenth annual conference. nong the subjects of discussion were fed- al taxation of municipal securities, shar- of state taxes among municipalities, anning of municipal public works, and llection of statistical information on unicipal government.

ouglas County, ebraska, Goes Modern

Reorganization Completed in Westchester County, New York

By PAUL W. WAGER

Once a black spot on the map of county ance, Douglas County, Nebraska, is now shining example for other counties to llow because of improved service, dgeted spending, modern methods, finan- al solvency, and decreased tax levies. ese changes did not come suddenly, by cident, or of their own accord. They e the result of a "clean-up" campaign aged by a militant taxpayers' association, crusading newspaper, and an aroused blic.

A few years ago Douglas County was half million dollars in the red, a clique politicians controlled the jobs and the ndling of the taxpayers' money, there as wasteful spending and poor service. nally in 1932 a group of Omaha business men got sick and tired of the whole situation, formed the Association of Omaha Taxpayers, and took up the fight in earnest. They began digging out facts as to where the taxpayers' money was going and telling the people through a friendly newspaper.

A budget law was put into effect in 1938 and adherence to it was achieved by attaching severe penalties to any violation. The printing of regular monthly reports also had the effect of keeping the public alert and informed.

Last fall the voters of the county supported a "sweep-the-courthouse-clean" campaign which resulted in the selection of high grade officials and personnel who were capable of operating the county on a sound, businesslike basis. Today the officials are doing their job thoroughly, because they know that is what the taxpayers demand.

Early in 1939 the county's deficit amounted to $555,000 for which warrants bearing 6 per cent interest were outstanding. Legislation was enacted which enabled this debt to be funded through the sale of notes bearing 2½ per cent interest and payable by levy during the next five years.

At the present time Douglas County is spending $35,000 for modernizing equipment which is expected to pay good dividends. Photographic machines are being installed to reproduce deeds to take the place of the laborious copy-by-hand method. Modern machinery in the treasurer's office will enable taxpayers to get a statement or receipt within a few minutes where formerly it took several hours. The same equipment will also permit the mailing of statements.

Finally, the unicameral legislature has passed a constitutional amendment, to be voted on in the 1940 general election, that would permit counties to change their form of government. This is the first step toward the county manager plan for Douglas County.

All in all, Douglas County has gone modern.

W. L. Pierpoint, *President*
Association of Omaha Taxpayers

Westchester County Government Streamlined

The new charter adopted by the electorate of Westchester County in November 1937, and partially effective on January 1, 1939, when the first county executive took office, provided that the reorganization should be completed by December 31, 1939.

It is gratifying to be able to report that County Executive Bleakley completed the task in nine months. Among the major changes which he has brought about under authority granted him in the charter are the following:

1. Transferred executive duties from the supervisors to an elective county executive;

2. Placed in the hands of the executive the appointment of all important county officials except those dealing with the courts;

3. Consolidated in the Department of Public Works the former offices of county engineer, superintendent of highways, sanitary sewer commission, superintendent of buildings, and sealer of weights and measures;

4. Merged offices of county comptroller and county treasurer into Department of Finance;

5. Merged the office of county register with that of county clerk;

6. Provided for an independent audit of the county's financial affairs;

7. Continued post of budget director and added that of personnel director; established County Purchasing Bureau;

8. Created a new Tax Commission and a new Planning Commission;

9. Provided for future referenda on (a) reduction of the size of the Board of Supervisors, (b) creation of a County Department of Uniform Tax Assessment; and (c) establishment of a County Debt Commission to regulate borrowings.

Another County Home Closed in North Carolina

The North Carolina State Division of Institutions and Corrections reports that, with the closing of the Cumberland County Home September 1st, the number of homes in operation has been reduced to seventy-eight. A few years ago practically all of the one hundred counties in the state maintained such an institution. The reduction has been brought about partly as a result of old-age assistance and partly by transferring inmates from the less well equipped homes to those more adequate. The population in the seventy-eight existing homes at the last count was 2,712.

Court Kills Vote on County Reform

A proposed referendum on the questio of consolidating various county office within the city of New York has bee canceled by order of Supreme Court Justice Hofstadter. Both critics and advocate of the measure agreed that the referendun petition lacked sufficient valid signature A total of 50,000 valid signatures is necessary. Despite the setback, Mayor La Guardia said the fight for reform in count government would go on. An endeavo is being made to elect city councilme favorable to the proposal at the Novembe election, for the changes which have bee proposed could all be effected by vote c that body as well as by initiative petitior submitted by the voters of the city.

Missouri Local Roads

A new local road program is being formulated by representatives of the Missouri Farmers' Association, Automobile Club, Oil Industries, Municipal Association, and County Judges' Association. In general, these groups opposed a constitutional amendment, sponsored by the Citizens' Road Association, which was defeated by the voters in 1938. This amendment would have raised the state gas tax from two to three cents per gallon, and proposed further extension of the supplementary highway system.

The new plan would also increase the tax to three cents, but one cent would be apportioned on a fifty-fifty basis among the counties and cities for local road and street purposes exclusively. The state would administer the tax, but would not supervise local expenditures. Its sponsors claim that a two-cent tax is sufficient to maintain and improve the existing state highway system, and that the system needs little, if any, extension.

The farmers and county courts (i.e. county boards) are interested in improving all local roads. They desire more county road revenue, and, if possible, a reduction in property taxes on farm land. The County Judges' Association in an annual convention has already endorsed the proposed program. The Municipal Association desires a share in the gas tax for all cities of over 500 population, whereas only the larger cities now levy a tax. It is generally maintained that city gas taxes are of doubtful legality, and might be invalidated if contested in the courts. In some cases a share in the gas tax may permit a slight reduction in city property taxes. The oil industries would welcome a uniform tax throughout the state, for it would greatly simplify accounting work. If these important groups can hold together, this program will have widespread popular support.

WILLIAM L. BRADSHAW
University of Missouri

Ohio and California Vote on Generous Old-Age Pension Scheme

Florida city trades land for bonds

By WADE S. SMITH

This November's election finds the voters of two states passing judgment on old-age pension schemes which threaten fiscal chaos. In California the much publicized "Thirty Dollars Every Thursday" proposal, defeated by a small margin last year, is on the ballot again in enlarged form. In Ohio a constitutional amendment is proposed which would lower the age limit, raise allowances, and widen the scope of existing pensions. Both proposals were placed on the ballot by initiative petitions.

The California plan would pay a weekly stipend of thirty dollars to every individual of fifty years of age and over who is not employed or an employer, regardless of the individual's resources. Payment would be made in "life retirement warrants," a stamp-scrip calling for the affixing of two cents in stamps each Thursday for each dollar of warrant face value. The warrants would be redeemable solely from the proceeds of the sale of stamps, and the state's credit would not be pledged in any way. Acceptance would be voluntary in so far as ordinary transactions are concerned, but a premium is placed on their use by exempting warrant transactions from a 3 per cent gross income tax now made a part of the proposal. The state, cities, counties, school districts, and other local governing units would be forced to accept warrants in payment of taxes and other governmental charges from whoever offered them.

The state and its local units would also have to use as their sole depository a state bank set up in the proposal to handle warrant transactions. Thus, in addition to imposing a stamp scrip economy on the state's commercial, industrial, and agricultural life, the California proposal would flood governmental units with scrip and force them to forego the present security of scattering their deposits through a number of banks, with each bank obliged to provide collateral security at least in the amount of the deposit.

The Ohio proposal, so-called proposal number 2 of the Bigelow committee, would guarantee to every retired citizen of sixty and over fifty dollars per month to single persons and forty dollars each to married persons. Two sources of revenue are provided—a real estate tax of twenty mills on all land assessed at the rate of $20,000 or more per acre, and an income tax on every person or corporation equal to one-fourth of the amount paid to the federal government the preceding year. If these revenues are not sufficient, other taxes may be utilized. The Ohio proposal is to be paid in hard cash, therefore, and the fiscal problem it presents is that of a greatly increased expenditure to be financed by new taxes and additions to existing taxes.

In the case of the California proposal, it was estimated here[1] last year that the amount of cash required to be raised through the sale of warrant stamps would exceed the recent combined revenues of the state and all its local subdivisions, a figure which when added to other taxes presents a total which even the most blasé Hollywood publicity man could easily concede to represent a staggering tax burden. Various agencies have estimated the cost of the Ohio proposal as from about $303,000,000 up, with the state director of taxes estimating its cost at not less than $310,000,000. Against this it is estimated that the twenty-mill tax and the tax based on federal income tax payments would produce only about $43,000,000 annually. The pension cost estimated is approximately three times the present state budget. Bankruptcy of the state and impoverishment of its taxpayers is freely predicted by opponents of the amendment if it should be enacted.

In neither Ohio nor California are present payments to the needy aged inadequate in comparison with those elsewhere. California's old-age assistance payments, under the social security program, are the highest in the country, while those for Ohio are well above the national average. In June old age assistance payments per recipient averaged $32.45 in California and $22.57 in Ohio, as compared with a national average of $19.42. California's total obligation for the month, for 131,979 recipients, was $4,282,347, and Ohio's, for 116,275 recipients, was $2,624,140. These sums represent, of course, the total of local, state, and federal social security funds, and are in connection with a pension plan where the lower age limit is sixty-five years and need is the basis of payment. In California those actually receiving assistance comprise 2.87 per cent of the estimated population of sixty-five years and over, and in Ohio 2.41 per cent. The tremendous costs anticipated in the proposals to be voted on in November arise from the fact that the criterion of need is eliminated, as well as the age limit lowered. Some observers believe that both states will lose their present federal old-age assistance grants if the proposals become law, since their pension programs will no longer be based on the "need" which is a prerequisite of federal participation.

By the time this appears in print the election results in both states will be available. Little is known at this time of the progress of the pre-election campaign on the Ohio proposals, although a campaign in opposition has been mobilized by a specially created Ohio Emergency Committee. In California the contest is expected to be close, although favorable factors are

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[1] See "Thirty Dollars a Week for Life." National Municipal Review, October 1938, page 481.

he getting out of a 1939 registration
lightly exceeding that of 1938 and the
lienation of labor support from the pen-
ion proposal because of wording in the
ew proposition which appears to outlaw
trikes.

umber of Taxing Units Declines

Nearly 6,500 local governmental bodies
vith taxing power were eliminated dur-
ng the last five years, according to the
'ederation of Tax Administrators which
eports that the Illinois Tax Commission
as made a census showing that there are
ow, in addition to the forty-eight states,
,052 counties, 16,450 incorporated places,
18,667 school districts, 19,303 townships,
nd 3,624 other units of government. In
934 the count made by the United States
Census Bureau showed a total of 167,699,
gainst the current total of 161,144. The
en states with the largest number of units
re Illinois, Kansas, Minnesota, Missouri,
New York, Wisconsin, Michigan, Nebraska,
owa, and Texas, in that order. The range
or the top ten is from 7,106 in Texas to
5,100 in Illinois.

At the same time that the number of
axing units has been decreasing, there has
een a downward trend in the number of
eparate units assessing property for taxa-
ion, so that the number of overlapping
ssessment agencies is being reduced. Ac-
ording to the National Association of
Assessing Officers, Maryland, Pennsylvania,
Texas, and Alabama all adopted in 1939
aws providing for the simplification of
ssessment procedure so as to reduce or
liminate overlapping assessing authorities.
The association's committee on assessment
rganization and personnel recommends
hat overlapping tax districts use a single
ssessment roll, that the larger of the
nits in area be the primary assessing dis-
rict, and that consolidation be resorted
o when appropriate.

Swaps Lands for Bonds

According to a recent dispatch to the *Daily Bond Buyer*, the city of Temple Terrance, Florida, recently secured the approval of the federal courts to a debt composition plan which contemplates the exchange of vacant land for $1,348,000 in defaulted city bonds. This unique plan under the federal bankruptcy act was approved by creditors holding $549,000 in bonds and $310,000 in interest coupons in June, but other creditors objected the following month, and appealed to the Court of Appeals at New Orleans. Civic leaders and the objecting creditors got together, however, ironed out their differences, and the appeal was withdrawn and the go-ahead signal given on October 7th. A hearing was scheduled to be held October 16th to arrange the details for the swap. The exchange is expected to leave the city debt free, and stimulate renewed development of this Hillsborough County community located near Tampa.

An Eventful Fall in the P.R. World

Reports on P.R. Votes
New York's P.R. Council
British P.R. Work to Continue

By **GEORGE H. HALLETT, JR.**

What Happened in Waterbury

To those not familiar with the details of the local scene the defeat of the proposed P.R.—city manager charter in Waterbury, Connecticut, at a special election on October 3rd, must have come as a disappointing surprise. The scandals connected with the operation of the present form of government, which have been receiving nation-wide publicity for months past while the trial of the former mayor and other high officials proceeded, seemed to form an ideal background for a first-class civic revolution.

That same background, however, seemed ideal to several important elements in the city as the setting for another sort of revolution—the election of a new mayor, with all the appurtenant patronage. Since the adoption of the manager plan charter would have blocked the election of a mayor, this interest in the mayoralty deflected much of the natural charter support to the opposition. Civil service employees were fearful of change. The old machine, sore beset but still numerous, was of course opposed. None of the newspapers supported the charter and one was vehemently against it.

Under all the circumstances the Good Government Association of Waterbury, which sponsored the charter proposal, is to be congratulated on the yes vote of 10,513, with only 14,726 in opposition. A great deal of good educational work has been done which may well lead to success in the not distant future.

More details of the story will be given at the P.R. session of the National Municipal League convention in Indianapolis on November 16th by Julian G. Hearne, Jr., of Wheeling, who acted as campaign consultant for the Good Government Association and, according to H. F. White, president of the association, "did a mighty fine job."

Annual P.R. Meeting

The annual meeting of the Proportional Representation League, Inc., now consolidated with the National Municipal League, will be held in connection with a round table discussion of the National Municipal League convention at the Hotel Severin, Indianapolis, on November 16th at 10.30 A.M. Professor A. R. Hatton of Northwestern University, president of the league, will preside. Trustees will be elected for the ensuing year.

Most of the session will be devoted to brief accounts of the P.R. adoption campaigns in Waterbury, Connecticut, and Schenectady, New Rochelle, White Plains, and Onondaga County, New York, all of which will be decided before this issue appears in print, and the 1939 P.R. elections in New York City and Yonkers, New York; Cincinnati, Toledo and Hamilton, Ohio; Wheeling, West Virgina; and Boulder, Colorado.

The opening session of the National Municipal League's meetings, on November 15th, will be enlivened by a debate on the merits of P.R. between Professor F. A. Hermens, arch-opponent, and Walter J. Millard, arch-advocate of the system.

A Review of New York's First P. R. Council

The Citizens Union of the City of New York, in the forefront of all local good government movements since 1897, published in October a sixteen-page *Searchlight* devoted to the record of "The First P.R. Council—An Experiment in Democracy," from January 1, 1938, to September 30, 1939.

"The 1938-1939 City Council," the story starts, "has been given by its own members, in the course of widely broadcast debates, such epithets as 'best show in town,' 'three ring circus,' 'kibitz club,' and other appellations designed, perhaps, to make it look ridiculous, but showing that it was alive and interested in letting its constituents know that it cared whether they hissed or applauded its work. In contrast, the defunct Board of Aldermen might have been called a municipal lodging house, a place for a weekly nap at the city's expense, where any person so rash as to disturb the peace by moving to discharge a committee was silenced by a blow on the head in the form of a motion to table.

"The first use of proportional representation had resulted in an even division of the council—thirteen organization Democrats and thirteen others—in contrast to the sixty-two Democrats and three Republicans of the last Board of Aldermen. The sound and fury in the new Council was the natural result of the exasperation of Democratic machine members when they found that, for the first time in a generation, their steamroller would no longer roll.

"The heavy Democratic majority in the old board made it so easy to do simple unimportant business in a brisk, efficient (albeit extremely partisan) way that after almost two years of membership on the Council many former members of the board are still dazed and a little bit hurt when they meet with real opposition from what they consider the labor and fusion upstarts that P. R. admitted to the sacred portals of the aldermanic chamber. Members of the old guard, therefore, have done their best, directly and indirectly, to make the Council look silly, hoping in that way to discredit P. R. It almost seemed as if some of the majority members, instead of trying to make records for themselves, were sitting back and waiting for opportunities to keep the entire Council from making any sort of record in the hope that by so doing the old Board of Aldermen might, by some miracle, be brought back to life.

"Despite this handicap and many other difficulties the Council did accomplish some worthwhile things and came close enough to accomplishing others to make it seem a refreshing change to veteran observers of the old Board of Aldermen."

The *Searchlight* then proceeds to describe in some detail the organization of the council and the way it met the various important issues which came before it. In the "Summary and Conclusions" the story picks up the end of the introduction:

"With all its shortcomings the Council has been a refreshing contrast to the rubber-stamp Board of Aldermen. All important proposals have been subjected to full discussion and nothing seriously objectionable has passed.

"Enough has been said, however, to make it clear that further progress is badly needed. The present session has been largely a stalemate. A few of the most urgent immediate needs have been met, but such major tasks as pension reform and county reorganization cry out for a less politically-minded majority, while the ordinary business of the Council could profit greatly by a reorganization of committees and a modernization of the rules.

"The voters have the remedy within their grasp this fall. The second P. R. election presents a sufficient number of strong candidates with superior qualifications and there are fewer other candidates and other contests to divide the voters' attention than there were two years ago. If those who want improvement will go to the polls and mark choices for all candidates who give promise of independent and enlightened service, there is a good prospect of real accomplishment during the second half of the present La Guardia administration."

An Editorial in the Herald-Tribune

The Citizens Union's conclusion is in line with the following editorial tribute to P.R. in New York City, which appeared in the *New York Herald-Tribune* for October 6, 1939, under the heading "P.R.'s Second Test":

"Other preoccupations have been so many and so engrossing that it has been easy to forget the approach of one of the most interesting events upon the local calendar—New York City's second councilmanic election on the proportional representation system. But already the petitions are circulating and the slates are being made up; and in a fall campaign rather markedly lacking in other interests, the choice of the new Council and the second test of 'P.R.' should hold the center of the stage.

"Involuntarily the citizen may groan over the supposed complexities of the transferable vote. Actually, the complexity is a legend. If the voter remembers his experiences last time he will remember that there was nothing particularly baffling about it, except in the eyes of the hoary Tammany professionals, who could find no way to beat it. And general experience elsewhere has been that the first time is always very much the hardest. The apparent ease of a 'P.R.' candidacy, which requires no primaries or nominations, in which party designations are not essential and which any one can attempt who gets the necessary signatures, brings out the aspirants in hordes for the first trial. The efficiency and accuracy with which the seemingly queer machinery throws out every one who has not real voting strength is usually enough. It is improbable that the ballots this year will bear anything like the regiments of names which appeared in 1937. With shorter lists of better known candidates the voters can more easily mark their choices and the counting should be much quicker.

"And the result should achieve the final reform in the Council which was only half completed in 1937. Despite the aspersions cast upon it 'P.R.' in fact operated magnificently then. It raised tremendously the character of representation in the Council, as contrasted with the horizontal statesmen of the old Board of Aldermen, and gave it a political division in reasonable accordance with the real sentiment of the city. But it was an unfortunate accident that the division of sentiment was so close as to produce a tie vote in the Council, and condemn it to two years of political wranglings and fireworks which could have been averted with a solid majority on one side or the other. With the aid of 'P.R.' it is now the citizens' task to return such a majority: the importance of doing so, and the importance of making it a majority for the forces of decent and responsible government which have so successfully conducted its administration cannot be overemphasized."

British Proportionalists Carry On

Leaders of the British Proportional Representation Society, which has occupied a position of world leadership in the movement for true representative government ever since 1884, recently took a serious inventory of the society's position in the light of the war in which the British nation is engaged and decided it had an obligation to carry forward its work so as to be ready to play an important part in the post-war reconstruction. The following statement of its position was widely circulated to the society's members and friends in Great Britain and the dominions:

"We must remind ourselves that towards the close of the last war an all-party conference on electoral reform, with the Speaker of the House of Commons as chairman, unanimously recommended the use of P.R. in the thickly populated areas of the country. This recommendation was defeated in the House of Commons by only a small margin.

"The general election of December, 1918, was therefore fought under the old system, with the result that, at a period in world history when moderation was needed above all things, the large moderating forces in our nation were deprived of effective leadership and, almost completely, of representation.

"The society must endeavour, with all its power, to prevent the occurence of a similar experience after the present war. The adoption of proportional representation would give an election in which reason would play a larger part, and the society, in helping to secure this reform, would be making a contribution of historic importance to the government of man.

"Immediate public action is in the present circumstances out of the question, but the society must be in a position to press, at the appropriate time, both publicly and privately, for the reconsideration of our method of national representation, possibly by way of a new electoral reform conference. Meanwhile, the society, and individual members of the society, must use every occasion to direct attention to the serious danger that, in the absence of full and adequate representation of moderating opinion, no post-war settlement is likely to be either reasonable or lasting.

"Another contribution we can make concerns international relations and international government after the war. Mr. Anthony Eden, the Dominions Secretary, in his broadcast on September 11th, said:

" 'What really matters is what follows after. Can we do better this time? Can frontiers and faiths, language and commerce, serve to unite nations and not divide them? Can we create a true unity in Europe?'

"Other public men in Great Britain, and also in other countries, refer to the need of a new 'world order.' This new world order will require very careful planning. If it is to rest on a congress of peoples and not on a congress of governments, it will involve the election of representatives, and its functioning will be influenced profoundly by the extent to which the principle of justice finds expression in its constitution. The society and members of the society can participate in movements for a new world order. We can play our part in the establishment of government, national and international, upon principles of enduring value."

ENGLISH LOCAL GOVERNMENT FACES WAR

(Continued from Page 768)

concerned with a wide range of national and local government activities, and also that without his services there is a real danger of retarded progress and lack of coördination.[8]

The bringing of English local authorities under regional commissioners indicates a trend toward something like the French prefect. The present circumstances make this seem a logical development. The degree to which the English have enjoyed the privileges of local self-government has been unique in Europe. On the continent local authorities have been little more than branches or agents of the central government. In a very real sense England's island situation has been responsible for this local freedom, as for so much else in English life. England (like the United States) has had no frontiers with potential enemy countries. Such a nation can allow itself to a certain degree the luxuries of individualism and anarchy in its public life. It need not submit completely to organization and to hierarchy in order to insure its continued existence. It can permit the affairs of its principal metropolis to be administered by a confusion of counties, boroughs, and independent boards. It can confine its efforts in reforming local government units to the issuance of reports of Royal Commissions.

But the bombing plane has changed all that. England now has frontiers. It has become part of the continent of Europe. The adoption of compulsory military service along continental lines was only one of the more evident surrenders of liberty required by this new status. A similar "continentalization" of English local government would seem to be on the way.

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[8] Report of the Commissioner for the Special Areas, 1938, p. 8.

NOTE.—The research on which this article is based was done while the author was in England on a fellowship from the Social Science Research Council, to which acknowledgment is made.

Books in Review

EDITED BY ELSIE S. PARKER

Introduction to the Study of Public Administration. By Leonard D. White. New York City, The Macmillan Company, 1939. xiii, 611 pp. $4.00.

It is good news that the definitive work on public administration, first published a scant ten years ago, has had to be revised. This is no reflection on the excellence of Leonard White's initial pioneering synthesis of the literature on the business side of government. The revision of his work means merely that there has been plenty of progress in a field at which "practical" men sneered not so very long ago. Public administration is indeed coming into its own, and the revised *Introduction to the Study of Public Administration* is one proof of it.

That one of the two new sections of this book is titled "Fiscal Management" is also significant. The depression has had a profound effect upon the whole philosophy and method of government finance, and although the catastrophes of the depression are to be regretted, the reforms it brought are the silver lining to a black cloud.

To those who are familiar with the first edition of Dr. White's book, it need only be said that the revised edition preserves the virtues of the earlier one and enhances them by bringing them up to the minute. To those few who are not familiar with the work, instant remedying of that laxity can be the only prescription.

H. P. J.

Reorganization of the National Government. By Lewis Meriam and Laurence F. Schmeckebier. Washington, D. C., The Brookings Institution, 1939. xii, 272 pp. $2.00.

Regardless of what laws have or have not been passed since this book was published, and what steps have or have not been taken to reorganize federal administration, the Brookings Institution's *Reorganization of the National Government,* together with the report of the President's Committee on Administrative Management, should make an excellent pocket library on a subject on which has been shed much heat and little light. It is by now well known that the Meriam-Schmeckebier book is in effect a rebuttal of the Brownlow-et-al report. The former holds that economies stem not from administrative reshuffling but from curtailment of function; and that whatever administrative reorganization is desirable should be achieved by Congress on recommendation of the President, rather than by the President under broad grant of power from Congress. The opinions of the President's committee are, of course, the reverse. No mere book review should take part in so delicate a controversy. But if any reader wishes to do so, the Brookings book will provide a deal of factual ammunition.

M. R.

It Can Be Done. The Autobiography of James Hudson Maurer. New York City, Rand School Press, 1939. 374 pp. $3.00.

This is a "success story" more deserving of that term than most of those we put into the hands of young people. On a page between the title page and the first chapter are these words, set out by themselves: "Whenever I hear people, particularly young folks, say, 'I can't do that,' I feel like shaking them. If this book proves anything, it proves it can be done." But the sort of thing the book proves can be done is not that of gathering a fortune. That is because the thing you have faith to believe can be done, if you would e another Maurer, has more value than money. Jim Maurer found that "public ealth was nobody's business," and he made it his business. Later on in the ook is a story, "A New City Hall and No Scandal." In it this doggedly determined Pennsylvania Dutchman tells how e and a few friends reformed the city f Reading, going at it in the proper way o get such a mighty task done, with unailing faith in the lowly people and unailing humor.

An incident is told in which he played trick on a legislative committee chairman which strait-laced people may think nethical. But by that trick "the home ule powers of the third-class cities of Pennsylvania was extended so that city ervices could be improved and costs reluced." Surely the Recording Angel will et that worthwhile result against the means employed. "The False Issue of Lower Taxes" on page 317 will strike a esponsive chord in every reader of the NATIONAL MUNICIPAL REVIEW.

In England and France it is a common hing for labor leaders to be members of ity councils and local legislatures. James Maurer we hope is the forerunner of the ype of American labor leader who will lso be a public official. This country vill have finer city councils and legisatures if young labor leaders who enter hem will read this illuminating story of man poor in this world's goods but rich n the recollections of child labor he bolished and a city he redeemed.

W. J. M.

The History of Public Welfare in New York State 1609-1866. By David M. Schneider. Chicago, University of Chicago Press, 1938. xix, 395 pp. $3.00.

The relief problem is not "new" or "depression" or "Rooseveltian" and this ook is a detailed and horror-full proof f it. Together with a volume by the ame author which is now in preparation, dealing with the period ending 1938, this history should make a most useful reference book, a "case history" of the relief problem using the most populous state in the union—hence both the richest and the poorest state in the union—as the case in question.

M. R.

Specifications for the Annual Municipal Report. By Clarence E. Ridley and Herbert A. Simon. Chicago, International City Managers' Association, 1939. vi, 59 pp. mimeo. $1.50.

A decade or so ago citizens in only a handful of municipalities received intelligible municipal reports; now more than a hundred cities are distributing brief, attractive, readable, and informative reports on their local government. For this increase the International City Managers' Association is undoubtedly at least partly responsible and the present volume should do much to accelerate the movement for more and better reports.

The manual makes specific suggestions concerning the content, preparation, design, publication, and distribution of the municipal report. These suggestions are based on the latest developments in the measurements of municipal activities and on a study of the several hundred municipal reports issued in recent years.

Additional Books and Reports Received[1]

Assessments

Assessment of Real Property in Kentucky Counties. Comparison of Constitutional Assessments and Actual County Assessments. Frankfort, Kentucky Department of Revenue, 1939. 69 pp.

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[1] See also "Research Reports Received," page 798.

Civil Service

Post-Entry Training for Local Government Officers. By Charles Winter. London, William Hodge & Company, Limited, 1939. xv, 212 pp. 7/6.

Highways

Highway Transportation Re-makes America. Washington, D. C., National Highway Users Conference, 1939. 32 pp.

Housing

Housing in Yonkers. Yonkers, New York, The Municipal Housing Authority, 1939. 27 pp. illus.

New York City Housing Authority. Fifth Annual Report, 1938. New York City, New York City Housing Authority, 1939. 35 pp. illus.

Municipal Government

Changes in Municipal Boundaries through Annexation, Detachment and Consolidation. Chicago, American Municipal Association, 1939. 38 pp. mimeo. $1.00.

Municipal Problems 1939. Thirtieth annual meeting of the Conference of Mayors and Other Municipal Officials of the State of New York, Niagara Falls, June 5, 6, and 7, 1939. Albany, New York Conference of Mayors and Other Municipal Officials, 1939. 107 pp. $1.25.

Papers and Resolutions, Special Meeting, The United States Conference of Mayors, Washington, D. C., September 19, 1939. Washington, D. C., The United States Conference of Mayors, 1939. 31 pp. mimeo. Fifty cents.

Municipal Reports

Civic Review, Portland, Oregon, 1938-9. Published by the City Council under the supervision of the Department of Finance. Portland, Oregon, 1939. 71 pp. illus.

Over the Back Fence. By the City Manager. Being an open letter to the people of Fillmore, California, regarding municipal doings for the fiscal year ended June 30, 1939. 39 pp. mimeo. illus.

Planning

National Conference on Planning, 1939. Proceedings of the conference held at Boston, Massachusetts, May 15-17, 1939. Chicago, American Society of Planning Officials, 1939. vii, 166 pp. $2.00.

Police

Cincinnati Police. Annual Report 1938. Compiled by Bureau of Records. Cincinnati, Division of Police, Department of Safety, 1939. iii, 61 pp.

Modern Police Work Including Detective Duty. By James J. Skehan. Brooklyn, New York, R. V. Basuino, 1939. 657 pp.

CONTRIBUTORS IN REVIEW

(Continued from Page 794)

istration, and secretary and chief examiner of the Evanston, Illinois, Civil Service Commission. He is also the author of *Government Proprietary Corporations in the English-Speaking Countries*. Mr. Ackermann, a recent graduate of Northwestern, rounds out the picture. He is now with the county assessor of Cook County, Illinois.

HAVING spent "much of my youth on the family farm" at Ohiowa, Nebraska, **Kenneth Wernimont** (*County Disorganization for North Dakota*) has (figuratively) gone back to the farm in Washington, D. C., where he is now assistant agricultural economist in the Division of Land Economics of the Bureau of Agricultural Economics. In between he became a member of the Nebraska State Bar, received degrees in political science from Nebraska Wesleyan University and American University, and attended the University of Rome on an American-Italian exchange fellowship sponsored by the Institute of International Education.

NATIONAL MUNICIPAL REVIEW

CONVENTION ISSUE

We Thought the Battle Won

C. A. Dykstra

The Frontier Is the State

Frederick P. Gruenberg

Planning Needs the Man in the Street

Harold S. Buttenheim

Legislative Councils — An Appraisal

Harvey Walker

One House, Two Sessions

John P. Senning

1939 Tax Rates for Cities

Rosina Mohaupt

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NATIONAL MUNICIPAL LEAGUE

The League's Business

Annual Meeting Held

The National Municipal League held its annual business meeting, at the Indianapolis Athletic Club, on November 16th, immediately following the League's annual banquet held in connection with the Forty-fifth National Conference on Government. The only order of business was the election of officers. The report of the nominating committee, as set forth in the REVIEW for November, was made by William C. Beyer, chairman of the committee, and accepted by unanimous vote of those present.

League Members in the News

John G. Winant, former governor of New Hampshire and now director of the International Labor Office at Geneva, Switzerland, arrived in this country recently en route to a conference of the Inter-American Labor Conference in Havana. Mr. Winant is a member of the League's council.

Russell Forbes, formerly secretary of the League, and now commissioner of purchase for New York City, has been "lent" by Mayor LaGuardia to Washington to serve as consultant in the proposed reorganization and centralization of all purchasing procedures in the federal government. His help has also recently been solicited by the director of the Department of Parks and Public Property of Newark.

1940 Baldwin Prize Contest

The League has announced the subjects and conditions for its 1940 Baldwin prize essay contest. This prize is of one hundred dollars and is awarded annually through the League by the family of Mrs. George Burnham, Jr., of Philadelphia. The competition is open to undergraduate students registered in a regular course in any college or university offering direct instruction in state or municipal government. For details as to subjects and terms of the award, write to the League's office.

Sub-Committee Named for Campaign Manual

A subcommittee to assemble and relay to all committee members material developed in connection with the drafting and publishing of a campaign manual for use by local citizens' organizations was appointed at the first meeting of the committee at Indianapolis on November 17. The subcommittee consists of J. W. Esterline, president of the Indianapolis Citizens, Council, chairman; Forest Frank, secretary, City Charter Committee, Cincinnati; Edward Fenias, chairman, Citizens' Union, Newark, New Jersey; Julian G. Hearne, Jr., Wheeling, West Virginia; George H. Hallett, Jr., secretary, Citizens Union of New York; Walter J. Millard and Alfred Willoughby, both of the National Municipal League staff.

HOWARD P. JONES, *Secretary*

National Municipal Review

Editorial Comment

Catchbasins and Culture

In the midst of all the concern over how well we are meeting the challenge of the totalitarian states to instill in the rising generation an adequate appreciation of our self-governing system, it is stimulating to read fourteen-year-old Grace Cohn's editorial in *The Scrip,* student publication of Central Park Junior High School, Schenectady, New York. The REVIEW republishes it here in full.—EDITOR.

THE municipal exhibit which held the stage all last week at the City Museum was an interesting composite of "catchbasins and culture," which, in itself, was a true cross-section of what we call the modern municipality.

The hundreds who viewed the intimate details of such city functions as police and fire protection, health services, welfare work, and educational facilities, probably wondered at the details of manholes and catchbasins, of incinerators and sewage plants, which were on display. But there is nothing incongruous about homely underground and unseen services rubbing shoulders with the art, the culture, and the higher pursuits of city government. It takes all of these services, woven together in the structure of government, to make community life safe, pleasant, and profitable.

The first annual exhibit of municipal services marks a new era in government. Gone is the disinterest of the public in the machinery of government. In its place there is a curiosity which caused exhibit visitors to leave with the knowledge that their tax dollars were buying public benefits which they never knew existed.

Just as it takes "catchbasins and culture" to make a well rounded city, so it takes knowledge of all branches of city services to make good citizens.

Sowing a Few Seeds for a Better Crop

FOR a longer time than most men can remember, ideas which grew and which hatched other ideas designed to give the citizen better control over better government have sprung from the annual conferences on government sponsored by the National Municipal League.

The forty-fifth of these conferences was held last month in Indianapolis. It was no exception to its predecessors; but no estimate of possible repercussions in the future can be made so soon after the gavel descended at the final meeting.

Efforts of the citizen to keep control of government and to fight off the still potent forces of bossism and spoils politics were emphasized by many civic leaders who discussed methods and compared experiences. As usual, they gained strength and inspiration from one another; but, more substantially, they sat down and formed a committee which will gather together all these loose ends of experience and campaign techniques. After the committee has searched and studied, it will prepare and publish a campaign manual designed to give the political amateur a better chance to cope effectively with the professional.

With one eye quite obviously cocked toward the job the dictator countries have been doing of shaping young minds to revere and appreciate the glories of their systems, considerable thought was given, too, to the need for conscious training for self-government. Educators and others discussed significant developments in some schools. Several speakers described the success of the "Manitowoc Plan" or "citizenship day"[1] and the indications that this impressive method of introducing new voters to their responsibilities will spread rapidly to many parts of the country.

Committees, some of which already have been functioning for one or more years, worked quietly on the revision of model laws.

Some group sessions concerned themselves with questions of a technical nature such as state planning, personnel, trends in expenditure control, and election methods.

Prominent "reformers," the first "state manager," a successful county manager, authorities in the fields of administration, finance and social problems, all had their say. They and others sowed plenty of seed. There's no telling what the harvest will be, but if it's as good as those growing from other conferences the effort was eminently worth while.

A magazine writer who in recent years has turned his attention frequently to accomplishments in the field of local government and citizenship, "discovered" the National Conference on Government. He came to look in on it for a few moments (having a natural curiosity to see "reformers" in action) and stayed to listen and have many conversations with those he met.

"How long has this been going on?" he wanted to know. "Why, I've gathered enough leads for articles to keep me going for a year."

He told of a successful writer acquaintance of his who had run out of inspiration and ideas—sort of gone to seed after retiring to the country to compose his pieces in a quiet atmosphere "where he could concentrate."

"If I could only get him to attend affairs like this," mused the writer, "he'd get a new lease on life."

Young researchers in the field of government, still in or recently out of college, came from many states and held the first meeting of its kind as a supplementary session of the conference. Their session continued far into the night and adjourned, sectionally, to continue in various all-night lunch rooms in the vicinity of the conference headquarters.

Coöperating organizations which held meetings before or during the League sessions were the Proportional Representation League, the National Association of Civic Secretaries, and the executive committee of the Governmental Research Association.

The American Home Division of the Department Club in Indianapolis

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[1] See also "Citizenship Day in Manitowoc," by S. V. Norton, NATIONAL MUNICIPAL REVIEW, July 1939.

We Thought the Battle Won!

By **C. A. DYKSTRA**
President, University of Wisconsin

"Let no man or woman think that democracy can be inherited. On the contrary, it must be fought for day in and day out."

LAST year, in another of what we are pleased to call "annual addresses," I brought to your attention something of the original purpose of the National Municipal League.

The first Conference on Government, forty-five years ago, was an amateur reporting and publicity group, a group of earnest citizens representing local civic organizations. Their purpose was to exchange experiences and make known significant facts on city government. They studied the problems of municipal life, and undertook to educate the public in those aspects which the public needed to know. It was rightly called a conference on good government.

Then the National Municipal League was taken over by the experts and the professors. It was a natural evolution. Upon closer study, the original amateurs of government had found the field a vast one, which could profit from the application of science and studied techniques. The amateurs in the League then turned over their concerns to specially qualified, expert committees who turned out reports on procedures in finance, in planning; who developed charters, model laws, evolved the short ballot principle, laid down laws of structure, found ways of developing better personnel systems.

Last year I called for a return to our original objective at least in part. I asked for an emphasis on the perpetuation of the democratic way of life. Because I said that we needed to marshal the press, the radio, the movies, the newspapers in agreement on a program of education for the ways of democracy, I was bitterly assailed as a "fascist." Of that appellation I cannot plead guilty. I see nothing "fascist" in attempts to unite our people on the essentials of our way of life in order that that way of life, which we consider good, should survive.

Now I want to continue this discussion on the current reaction against the democratic way. That it is a reaction there can be no doubt. Once democracy seemed thoroughly entrenched. After a long slow struggle through the years to achieve it, by the nineteenth century democracy was so evidently the chief factor in the world political scene that even Carlyle was able to say, "Whoever writes the history of the nineteenth century must reckon with the fact that democracy has arrived."

We thought the battle won, but we find it only begun. Today, democracy is challenged not only abroad but at home. Our domestic problems, problems of economy, of society, of the very spirit, have reared up whole sectors of unrest. We have not only the wandering but the wondering of youth. As contrasted with our huge resources, our every capacity for the fullest kind of life, we have unemployment and widespread want. Our people are apathetic and disillusioned. Many of them no longer trouble to use the ballot. They are suspicious of technical excellence, of those very skills and techniques to which the National Municipal League has devoted its years of efforts.

At this very moment our democracy is being challenged by pressure groups who want huge portions of political pie regardless of the welfare of the majority of us. We have no goals, no national faith. Our very governmental structure fails to accommodate itself to the changing environment and changing needs.

C. A. DYKSTRA

POINTERS FROM THE DICTATORS

In the meantime, what has been happening in those countries which have forsaken the democratic way? What are the dictatorships, the totalitarians, doing? We can look at certain European countries and learn a few lessons. Although dictatorships and totalitarian forms of government are thoroughly repugnant to our democracy and freedom, I am constrained to say that from them we still may learn a few ways of protecting our own sacred heritage. What have they done?

1. They have established a new belief in themselves and an apparent unity which is remarkable.

2. They have put down the specter of defeatism and again become proud of their birthrights.

3. They have developed a leadership out of the ranks which they follow with evident enthusiasm and almost unparalleled devotion.

4. They have become effective peoples working together towards the goals they have set up.

5. They have marshaled their resources, no matter how scanty, and used them to a national purpose.

6. They have achieved a united front in the face of almost unprecedented difficulties.

7. They have accepted terrific personal sacrifices for the common good as they see it.

8. They have eschewed softness and easy living and trained themselves rigorously for their tasks.

9. They have furthered the kind of education they believe in and provided that even their children can be led to believe in their destiny.

10. They have become orderly, disciplined, devoted participators in a common enterprise.

11. They have learned to make plans on a national scale and to carry them out. All are at work.

12. They have learned the hard lesson that to save their lives they must lose them in a great faith.

Democracy can persist if it can satisfy, but are the fruits of democracy worth while? Can it appeal to youth? These are key questions if we are to plan for the future of our own national way of life on this side of the ocean.

I can think of at least ten essentials if we are to succeed in this crucial enterprise of making democracy work in America:

1. First of all a faith that our fathers were right, a faith in ourselves and in our destiny.

2. A national goal for which to strive and a willingness to sacrifice for it. To save ourselves we must lose ourselves in a cause.

3. Some fair distribution of opportunity and the chance to succeed.

4. The elimination of special privilege by which fortunate or greedy persons and groups use power of any kind to take advantage of others. Greed is always cancerous and corrupting.

5. The development of a national unity out of selfish localisms and sectionalisms.

6. The promotion of really representative governments, local and national, which will consider without fear or favor the vital interests of the American people.

7. The recruiting of some of the best ability in the nation to manage the things we require of our government.

8. Recognition of the need for a plan of nation-wide proportions which will use our man power, our resources, and our idle funds constructively in the national interest.

9. Putting our historical bill of rights to work everywhere. Democracy cannot live unless civil liberties live.

10. An intelligent and educated electorate conscious of its privileges *and* responsibilities.

Our National Municipal League can work to great purpose in the achievement of this program. It must return to some of its earlier methods, again be frankly educational on a wide front. By entering the lists in local communities and working for citizen participation in government, it can resume its missionary aspect—adopt an evangelistic complex, if you will. The League should get a youth program, and for all citizens put its weight under a platform which will appeal to the film, radio, and publishing groups.

A NEW NAME FOR THE LEAGUE?

These are the broad purposes which I envisage for the National Municipal League's future. Specifically, however, there are also things it can do now. We have been talking about a broader name for the League, a name which will immediately convey to those not in close contact with the organization the nature of its activities and its goals. If we can agree on such a name, I think a change would be desirable. A new name should, if possible, indicate a new emphasis on "we the people," rather than "we the experts." It should be our task to encourage civic unity by all the means at our disposal, and by new means too which we ought to develop. Pressure groups and the selfishness they represent should be discouraged. It is the job of the League to expose political perfidy and democratic reaction no matter where they are

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The Frontier Is the State

By **FREDERICK P. GRUENBERG**

Executive Secretary, City Charter Committee of Philadelphia

Philadelphia's unsuccessful struggle to secure new charter through state legislature a case in point; but efforts to obtain home rule for "Billy" Penn's city to be continued.

A NUMBER of years ago the famous Philadelphia Forum had a large public meeting devoted to the discussion of some phases of municipal reform. The principal speaker was an eminent leader of the Philadelphia Bar and the head of one of the oldest and best known civic agencies in the community. At the conclusion of his address, the speaker announced that he would answer questions from the audience. He had taken the conventional legal attitude that a municipal corporation was the mere creature of the sovereign state. A question from the audience asked whether there was any *inherent* reason why cities might not be granted powers of purely local self-government. With a patronizing smile, the speaker said: "Here's a ridiculous question—in the course of my address I pointed out that sovereignty is an attribute of the state, and that a city is only a corporation."

Coupled with the rigidity of a widespread legalistic attitude towards municipal home rule are at least two other factors of importance. One is the well known attitude of politicians who utilize state interference to defeat efforts at municipal reform. The other is a still prevalent feeling among many independent urban citizens that there is a higher civic morality in a legislature predominantly rural than there is in the citizenry of urban centers. With this is associated the feeling that the foreign-born and the Negroes in our cities are mainly to blame for bad political conditions.

Whether there are available scientific tests of the relative civic morality of the rural voter and the urban voter is at least doubtful. One of the worst instances of a debauched American community was in an Ohio county not so long ago—a county overwhelmingly rural, native, and white.

It is far from unusual in American states to have the rural political strength solidified in the constitution so that its power is greater than that of the urban dwellers in terms of their relative populations. For instance, in Maryland, Baltimore contains about one-half of the state's population, but its Senate representation is limited to a much smaller fraction. New York City has long felt itself under-represented as against up-state. To a mild extent Philadelphia is discriminated against in the provision limiting the Senators from any one county to eight. The Georgia county-unit method of elections is a more vicious form of the same phenomenon.

It is not necessary to elaborate upon the historical developments that brought about in our states the absolute power of the legislature and the helplessness of cities. Nor need one argue at any length for the desirability of home rule. It seems a simple matter to weigh the benefits we all know against the possible disadvantages enumerated by some authorities.

Suffice it to say that there are a number of important considerations that should induce us to favor the home rule of cities. It is the democratic way for people in a community to govern themselves, so far as practicable, rather than be governed by a higher authority. It makes for better citizenship in that it removes the sense of helplessness created when legislatures strait-jacket local governments. It makes for efficiency and serviceability in that the framework and powers of the local government are far more likely to be adapted to local needs. Perhaps less important, but of some significance, home rule for cities should relieve the overburdened legislatures of much of their business and free their attention for the business of the entire state.

It is over two generations since a home rule provision for cities was first incorporated in the constitution of an American state,[1] but the spread of the idea has not been very steady nor very consistent. A number of state constitutions still have no such provision, and, as we shall see, that of Pennsylvania, though on the books for seventeen years, has thus far not been used.

A few jurisdictions have had the progressiveness to advance far along the lines of granting extensive home rule powers to their cities. It is generally conceded that these have been successful. The effectiveness of local home rule in California, for instance, where the constitution grants rather extensive powers to local communities both in framing charters and in exercising the functions of local self-government, is not seriously questioned. While California reserves to the legislature the power to approve or disapprove a charter locally adopted, inquiry on the scene in that state leads to the conclusion that legislative approval is regarded as perfunctory. Indeed, but one instance of a charter's being vetoed has come to the author's attention, and that was attributed to inexcusably bad draftsmanship.

FIELDS RESERVED TO THE STATE

Not only opponents of the home rule principle but also many of its advocates remind us that there are a number of governmental functions in which they consider the state's concern to be paramount and they enumerate as the principal ones police, health, education, relief, and regulation of utilities.

True, the police function has always been regarded as one pertaining to the sovereignty, and in the field of constitutional law there is no more frequent expression than "the police power of the state." But looking realistically at present-day urban

FREDERICK P. GRUENBERG

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[1] Missouri, 1875.

policing, we see at once that the regulation of street traffic is as large and important a police function as any we know, and one indispensable to our automobile age. As a matter of fact, with the exception of a few cities such as Boston, Baltimore, St. Louis, and Kansas City, the local police are municipally administered, and I can find no evidence that standards of performance are in any way superior under direct state control.

Let us not fail to bear in mind, on the other hand, that this age of quick communication and transportation makes even the state itself too small a unit for the police function of apprehending kidnapers, bank robbers, and such gentry, so that disregarding theories of state sovereignty, there is a growing tendency to look to the federal government for this activity, hitherto regarded as within the purview only of state and local police authorities.

With regard to health and education, in most jurisdictions the state prescribes standards and regulations but leaves the administration in local hands. Relief, too, was in local hands in many states, but the depression years have created new federal-state-city relationships in this field which are still in a state of flux.

The regulation of public utilities was largely in the hands of municipalities until franchise scandals and the breakdown of local regulation resulted in the creation, in every state but one, of a public service commission or similar body, to exercise state-wide authority. Here, too, we find the advent of the large operating company, and the later growth of the holding company, rendering state regulation partially impotent, and a tendency to use the instrumentalities of the national government to achieve the ends sought.

The proper prescription of minimal standards in such governmental fields as are determined from time to time to be matters of state concern do not conflict with the idea of local self-government. Nor does it conflict with the home rule principle for the state to set up for local governments accounting regulations, debt limits, and the like. (I confess a strong prejudice against the imposition of tax limits, based largely on Ohio's experience with its Smith 1 per cent law.)

The furnishing by the state of technical guidance, particularly for the smaller municipalities, in many fields is also not in conflict with the home rule principle. Many states furnish medical, engineering, educational, public charity, and other technical assistance to communities, and often these are invaluable aids where qualified professional skills are not available to the smaller or poorer urban units.

It must be conceded that while there are some functions in which the state will, and doubtless should, continue to exercise its authority, and others in which it is hardly debatable that the functions are wholly local, it is not possible to draw an exact line between the two. Even if constitutional amendments, granting to cities broad powers of home rule, are adopted, their construction as to what constitute "municipal affairs" will be in the courts. Adoptions of public policy are the first steps, however, and we may hope that the courts of other jurisdictions will do as well as those of Ohio, where, on the whole, the home rule idea has been sympathetically handled.

PENNSYLVANIA'S SITUATION

Pennsylvania, in common with most of the other states, found that special legislation for local communities led to intolerable abuses and in its present constitution, effective in 1874, it incorporated two provisions which were designed to prevent their recurrence. One forbade the legislature's enactment of special and local legislation, and the other prohibited the creation by the legislature of any special commission to carry out a municipal function.

To evade the prohibition against local and special legislation, the device of classification was soon resorted to, in Pennsylvania as elsewhere, and from the adoption of our present constitution Philadelphia has been the only city of the first class, so that any number of bills applying to Philadelphia alone have been enacted.

In 1854, which was prior to the present constitution, the Pennsylvania legislature had done a rather good job of consolidating all the municipalities within Philadelphia County into one city and county of Philadelphia. This act has never been repealed, but after the constitution of 1874 went into effect, the politicians prevailed upon the courts to undo much of its effectiveness by differentiating Philadelphia "County" from Philadelphia "City." Thus, for years, we have had the anomaly of a unified city-county in some respects, such as one tax-levying and ordinance-making council, but our city treasurer and our city controller have been judicially determined to be county officers. They and other "county" officers are thus largely free of budgetary control, and entirely free of civil service regulations and of centralized purchasing.

This city-county situation in Philadelphia is an excellent illustration of state interference with home rule and as it is imbedded in the constitution it is a very formidable obstacle.

Repeated efforts have been made to cure the situation, all thus far without success. Despite the fact that a number of American metropolitan centers, such as San Francisco, Baltimore, St. Louis, Denver, and New Orleans, have been relieved of the handicap of separate county government without the collapse of our American institutions, Pennsylvania has not yet helped Philadelphia.

An effort to amend the state constitution so as to consolidate Philadelphia City and County effectively was submitted to the voters in 1937. While the referendum was carried in Philadelphia by a majority of some 65,000, the vote upstate was adverse by a larger figure, and the amendment was defeated. Presumably some farmer in Erie County, 350 miles away, had better judgment as to Philadelphia's needs! In this defeat the politicians of both parties were to blame. The Republican organization, then in power in Philadelphia, was against the amendment and, although the Democrats in power in the state professed support of the amendment, politicians in that camp were heard to say they looked forward to getting into power in Philadelphia and didn't want the status quo disturbed.

Up to 1922 there was no sign of deviation from the ancient doctrine of complete state sovereignty and no existence of any theory or practice other than that of the city's being merely the creature of the state with its frame of government and its powers being such only as the legislature prescribed.

In 1922, however, an amendment to the state constitution was adopted which permitted the legislature to give cities the right to frame and adopt their own charters and to exercise the powers of local self-government, subject to such restrictions as the legislature may impose.

The amendment is not self-executing and does not of itself grant cities any rights of home rule. It is a weak form of constitutional home rule provision not only in that it uses the word "may" but also in that it reserves to the legislature the right to restrict the use of any home rule powers it might see fit to grant.

The movement which brought about the Pennsylvania home rule amendment was sponsored by the League of Third-Class Cities (some forty in number) the State Chamber of Commerce, and other groups. Its immediate cause was the rigidity which classification had imposed on third-class cities—which ranged from 10,000 to 100,000 in population, had a wide variety in their local needs and desires, and yet were all obliged to have their government and their powers uniform under an act for the government of all third-class cities.

The amendment was adopted in November 1922. The next regular session of the legislature convened in 1923, and two bills were introduced to implement the home rule provision but neither was passed. Many of the officials of the third-class cities began to fear they would lose their jobs and used their influence against the bills. Many bills were introduced in succeeding sessions also, but they, too, died by the wayside.

During those years, on the contrary, the legislature passed laws imposing mandatory positions on local governments and fixing salaries. For instance, in the very session of 1939 when Philadelphia was seeking the right to vote upon a modern charter, a number of enactments created new positions in local government offices and in other ways interfered with the authority of city council.

THE PHILADELPHIA STORY

Meanwhile, Philadelphia's financial and administrative situation has for years been getting progressively worse. Unbalanced budgets and growing debts created much criticism. The city had long had a bad reputation for being corrupt and contented, but there were signs of stirring discontent. The powers that controlled the city virtually uninterruptedly for two generations, the Republican organization, blamed the city's financial troubles on the depression, ignoring the fact that some other American cities had weathered that same depression, and in some instances had actually bettered their financial status.

In 1934 the Democratic party elected a governor for the first time in forty-four years, and also secured control of the lower house of the Pennsylvania legislature. In 1936 it obtained control of the State Senate, as well. For the legislative session of 1937 the Democrats, in addition to an ambitious state program of social legislation, undertook to tackle the problem of Philadelphia's charter.

The legislature passed an act creating a commission of fifteen members authorized to draft a proposed charter for Philadelphia and to report to the next regular legislative session which convened January 3, 1939.[2] The commission was a representative one, and contained eminent Republicans as well as Democrats. Every effort was made to keep its work on a civic and nonpartisan plane, and it deserves great credit for the quality of the draft-charter it submitted.

NEW CHARTER PROPOSED

The commission submitted its report when the legislative session opened. The material was presented in compact form, with carefully prepared reasons for the recommendations. The charter recommended provided for a city council of eleven members, elected at large by the Hare system of proportional representation, and a city manager to be chosen by council. A strengthened civil service, systematic planning, and well considered budgetary and other fiscal features were among its provisions.

Meanwhile the state elections of 1938 had occurred, and the Republicans again recaptured the governorship and the House of Representatives, the Senate being evenly divided. It is interesting to note that the successful Republican candidate for governor, Arthur H. James, had made home rule promises an important part of his campaign.

An unofficial citizens' group was formed in the summer of 1938 to create public support for the proposed new charter. Even before the legislature convened, this group was hard at work distributing literature, holding meetings, organizing neighborhood groups, addressing gatherings of business associations, church societies, women's clubs, labor unions, and old Philadelphia was responding most encouragingly. As the legislative session got going, contacts with legislators were established and a vigorous campaign of education was pursued, not only in Harrisburg and in Philadelphia, but elsewhere in Pennsylvania, as it was a state issue at that stage.

The Senate Committee on Municipal Affairs arranged for two public hearings in Philadelphia and hundreds of citizens crowded the hall both times. Each side was given opportunity to present its case, and both the proponents and their adversaries prepared for the hearings with great care. A later hearing was held in private by the Senate Committee in Harrisburg, to consider arguments on the constitutionality of certain provisions, notably the proposal to elect the city council by proportional representation.

The fight went on. The Governor announced that if the legislature passed the bill he would sign it. Hopes ran high. At length, the Senate voted on the bill and on May 2 it passed by a vote of 38 to 8; 19 of the 38 being Republicans, and 19 Democrats.

Then began the bitter days of delay and evasion. A careful poll of the House of Representatives showed that the measure would pass by about the same overwhelming proportion. Accordingly, the Philadelphia Republican organization decided that it would do all it could to prevent the bill from reaching the floor. In the House it was referred to the Committee on

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[2] See also "Philadelphia Carries On," by Johannes U. Hoeber, NATIONAL MUNICIPAL REVIEW, September 1939.

Cities of the First Class, of which class Philadelphia is the sole member.

The House Committee was dominated by members from Philadelphia who belonged to the Philadelphia Republican organization. It was common knowledge that they would follow orders, but up to the end it was hoped that the political leaders would consider it good politics to let the proposal come to a vote, and if it passed the House and was signed by the Governor, attempt to defeat it on referendum.

The high command decided otherwise, and the bill was referred to a sub-committee for "further study"—this despite the fact that each member had had the complete text and detailed explanations before him for months, and that press, radio, meetings, pamphlets, public hearings, and every known device had been utilized to inform the public what it was all about.

"Orders is orders" and the charter bill was "pickled." It was allowed to die in committee when the legislature's 1939 session adjourned at the end of May.

Quickly the resentful friends of the charter determined to make it the issue of the municipal election in November, and as the Democrats had supported the plan, many independent Republicans and independents without particular party affiliations, joined with the Democrats in a fusion effort.

STATE LAW AGAIN INTERFERES

Unfortunately, there had been enacted in 1937, when the Democrats were in control, a so-called "anti-party-raiding bill." That act prevented the placing of a third party in the field, as had been the practice in Philadelphia and elsewhere when fusion movements were undertaken. As our city has a large element in its citizenry that gag at the thought of voting the Democratic ticket, this statutory situation put two strikes on the Fusion ticket before the campaign began.

The election is recent history. The fight was close: the Republicans won with 390,000 votes out of 750,000 cast. As was to be expected the organization brought in national issues, but the best informed Philadelphians feel that an analysis by wards leads but to one conclusion. They feel that the large amount of money poured out by the organization on election day, plus illegal assistance and plain, old-fashioned slugging, were the determining factors.

The fusion ticket made significant inroads in sections of the city staunchly Republican a year ago. On the other hand, the machine swept away the Democratic majorities that had prevailed for the past few elections in the economically less-favored wards. These figures, supplemented by reports of eyewitnesses of what happened at the polls, pretty well tell the story.

The home rulers and the charterites were defeated. It is interesting, however, that far from expressing despair, many of the earnest men and women who fought against such powerful odds in the campaign began to consider plans the very next morning after the election, to build for home rule and better government in Philadelphia. One of the leading women among the Fusionists, a staunch Republican, said recently: "It's the legislature we must think of"—thus recognizing that the state is the frontier in our fight to secure better government in our cities.

While many in Philadelphia during the disheartening days after their defeat felt that a golden opportunity had been lost and feared that another would not soon be found, still more are convinced that the fight for good government must go on. Predictions are always dangerous, but Philadelphia's incoming administration will have no merry time of coping with a top-heavy debt, neglected maintenance and replacements of city property, a demoralized personnel, and inadequate revenue. The city's sewage system is 'way below standard; the water system is in such shape that breaks in the large water mains are so frequent as no longer to be news. The allegedly filtered city water comes out of the faucets in some residential neighborhoods with zoölogical and botanical specimens which while scientifically interesting are hardly appetizing or wholesome.

It would not be astonishing if those charged with responsibility for local city affairs would soon acknowledge that the present mayor-council charter, with its fictitious distinctions between city and county, and its many absurdities and weaknesses, is in very large measure the cause of our troubles.

A new demand for home rule and for a modern, efficient frame of government will arise, sooner or later. When it does, it will probably find expression in legislation authorizing the city to choose locally a board or commission to frame a proposed charter, and to submit it to the electors. This would be more nearly in accord with tried and approved home-rule practice, and would avoid the necessity of submitting the proposed charter to the legislature in advance.

Men and women from all parts of the country have, alas, too often heard discouraging and disparaging reports about Philadelphia's municipal affairs. The time will come, however—and not too far off—when our city of fine historical background and cultural traditions will take its rightful place among well governed American cities.

Editor's Note: Address delivered before Forty-fifth National Conference on Government of the National Municipal League, Indianapolis, Indiana, November 16, 1939.

Planning Needs the Man in the Street

By **HAROLD S. BUTTENHEIM**
Editor, The American City

"One of our major jobs is to convince officials and voters alike that planning is just as important an instrument for a democratic government as for a totalitarian state."

THE man in the street and the woman in the home have much greater interest in things and activities than in the processes by which things and activities come into being. The average citizen is more interested, for example, in houses and automobiles and recreation and schools than in the planning that must precede the building and functioning of those and other elements of community life.

Here is the major reason as to why the securing of citizen support for planning is so difficult. Perhaps there is a hint here, too, as to how that difficulty can best be overcome.

Those who are convinced that rational planning is essential for the future welfare of the city, state, and nation are prone to wonder why citizen organization in this field proceeds so haltingly. We see evidences of effective organization in many other fields—citizens unite as business men in chambers of commerce, as parents and teachers in parent-teacher associations, as women in women's clubs and voters' leagues, as taxpayers in taxpayers' associations, as realtors in real estate boards, as automobilists in motor clubs, as eaters in luncheon clubs, and in many other groupings. To an increasing extent, with growing interest in the housing problem, we have citizens uniting in housing associations; and with the urge for greater beauty in the surroundings of our homes and highways, we have garden clubs and roadside councils.

My theme is that few cities or regions exist in which organizations with large popular membership devoted primarily to the promotion of citizen interest in planning could be organized and maintained; but that there are many communities where planning committees with membership restricted to a few thinkers and leaders could function effectively. The objectives of such committees should be threefold: to stimulate greater interest in planning on the part of citizen organizations having other major objectives; to secure more intelligent consideration of planning in the curricula of our schools and colleges; and to serve as liaison groups between these popular bodies and educational institutions on the one hand and municipal, county, and state planning boards on the other.

For a quarter-century or more the American Planning and Civic Association (with its predecessor, the American Civic Association) has been the leading national organization devoted to the stimulation of citizen interest in the planning and building of finer urban and rural communities. Miss Harlean James, its efficient executive secretary, states frankly what success that association has had in the organizing and keeping alive of citizen groups concerned primarily with the planning process.

> On the whole, we have had better success in interesting citizen groups for roadside improvement, which involves planning, in zoning protection of residence neighborhoods, which is certainly an integral part of planning, in park, parkway, and playground programs, which appeal to citizens quite generally and should be articulated with local, regional, and state planning, than we have in trying to "sell" a generalized planning program.
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> While national planning has been quite to the fore in the public eye during the last six years, and while we have a goodly number of state planning boards, there has not been a corresponding growth in local planning commissions nor in the activities of existing planning commissions. Unless local planning is brought home to the individual citizens through some of its activities which actually affect their property and entire lives, it is difficult to develop general public interest.

There are some examples, however, of effective specialized organization in the planning field as such. Perhaps the most intensive effort in any definite region to stimulate citizen participation in community planning has been that of the Regional Plan Association of New York. As a handbook for this effort, Wayne D. Heydecker and W. Phillip Shatts prepared some years ago a pamphlet entitled *Community Planning: A Manual of Practical Suggestions for Citizen Participation.* A municipal or county planning council, consisting of representatives of various civic organizations within the community, was the device especially recommended. In the foreword to the fourth edition, published April 1938, the association's president, George McAneny, says:

> Since the first edition of this manual was published, county planning groups have been organized in thirteen counties about the central city. A large number of local communities have organized local citizens' groups in accordance with suggestions contained herein. So great has been the demand for the manual, that this fourth edition has been printed and is now offered to interested groups throughout the region, not as an untried theory, but as a program of organization and of procedure, the value of which has been demonstrated in practice.

(c) Kaiden Keystone

HAROLD S. BUTTENHEIM

Experience has shown that the most useful service of these planning councils has been the securing of official recognition of the need for a planning board and zoning ordinance. While the initiative for forming the planning council usually is taken by some one organization which may or may not be influential, the concerted move on the part of several agencies in requesting definite action from public officials serves to obtain recognition.

The planning council, like most organizations, needs continued attention to keep it active, and the most successful results are obtained where some individual or established local organization assumes leadership in it. Under these circumstances, the councils in a number of communities have performed a continued service to the planning boards in sounding out public opinion on important questions and also in indicating popular demand for necessary projects.

The desirability of citizen coöperation with planning boards is recognized in the New Jersey municipal planning enabling act, section IV of which provides that "following the organization of the planning board, the mayor may appoint a citizens' advisory committee. . . . "

In reply to a request for his opinion, Russell Van Nest Black, consultant of the New Jersey State Planning Board, writes:

> In general, I think well of the theory behind the citizens' advisory committee on planning, but such a committee certainly requires intelligent and informed leadership; and the appointment of the committee should be so timed as to avoid interference with the planning board in its initial efforts. The committee has its largest value, it seems to me, as a nucleus of especially well informed citizens who will assume chief responsibility for selling and maintaining the planning idea. It is with such a group that the planning board might thrash out its plans and recommendations before presenting them to the general public.

Few such advisory committees have as yet been organized in New Jersey. Perhaps the most active one is that of Montclair. From Town Planner A. M. Faure, secretary of the Montclair Town Planning Board, comes this statement:

> The Citizens Advisory Committee comprises now about fifty-three members, appointed by the mayor for periods up to three years. Appointment is usually made for some specific type of work or to serve on a specified committee. There are two types of assignments. One assignment may be to work with a standing committee of the planning board; these are the usual committees on zoning, streets and traffic, subdivisions, etc. The other assignment may be to work on a subcommittee of the Citizens Advisory Committee; these subcommittees work in fields related to planning within the scope of the specific responsibility of the planning board or discharge one of the main functions of the advisory committee, namely, interpretation of planning principles to the citizens at large. This latter work is, of course, done to a large extent by the Committee of the Whole, but there are two committees more specifically within the range of this type of work, namely, the Educational Committee and the Neighborhood Organizations Committee.

IMPETUS FROM URBAN BLIGHT AND SLUMS

We need not belittle the value of citizen organizations devoted primarily to planning, where such groups can be made alive and kept alive, if we urge that in most places our best hope lies in inoculating organizations of broader scope with the vitamins of planning.

To take housing as a specific example: many public-spirited men and women would join a housing association who would not be intrigued by membership in a planning association; but in any efficiently functioning housing organization a committee on city planning and zoning will play a major role. Rotarians, Kiwanians, Lions, and other service clubs, are glad to eat their way through a variety of good courses and good causes, including city and regional planning, but could not be kept alive on the planning course alone. And so with the rest of the citizen groups. Chambers of commerce are organized for broad programs of business and civic progress, and are being compelled, as are the realtors, by our growing urban blight to give increasing attention to city planning problems. To cite two examples from national gatherings held recently:

At the twenty-fifth anniversary meeting of the National Association of Commercial Organization Secretaries, held in Chicago, Oscar G. Mayer, president of the Chicago Association of Commerce, said in his address of welcome:

> No matter what the size of a community, new economic conditions bring new problems, and Chicago, as one of the great crossroads cities of the nation, encounters that condition on a basis that will brook no half-way treatments. We find the need of awakening a new public consciousness of city planning, slum clearance, rezoning, and particularly of the dangers of unbridled tax levying and tax spending.

And at the annual convention in Los Angeles of the National Association of Real Estate Boards, Walter S. Schmidt of Cincinnati, past president of that association, said:

> Unless we would see the most wanton waste of wealth this country has even known through destruction of land and building values of business property, it behooves us to understand what is happening to our commercial districts, especially in the older cities, then to apply corrective and protective measures to what now exists and, finally, to adopt constructive policies for the future. . . .
>
> It is equally necessary to take drastic steps in the matter of blight in the residential sections surrounding the various business districts. We cannot afford to waste this created wealth in buildings and in public facilities provided at great cost to serve these territories.

A "CITY IN DECAY"

This problem of urban blight and slums may prove to be the most impelling cause that has yet developed in the United States for securing citizen support of planning. We still find here and there a chamber of commerce or a real estate board or a newspaper which tries to soft-pedal local movements for better housing because of reluctance to admit that "our fair city" has any slums or substandard housing conditions. But more generally frank confession of sins is seen to be essential to salvation.

A current instance is to be found in the November *Forum*. Writing under the amazingly frank title, "St. Louis: A City in Decay," Charles Edmundson, an editorial writer for the *St. Louis Post Dispatch*, says in part:

> Presumably St. Louis is no worse off than many another American city and not as badly off as some. But nevertheless she is a prime example of the discouraging plight of an urban center which is attacked simultaneously by political paralysis and economic dry rot. As for the citizens—they are in the main complacent about both conditions. Unable to summon the initiative or resolution to deal with either set of problems, they let the city drift. . . .
>
> A visitor touring downtown St. Louis is amazed at the desolation and desertion characterizing scores of blocks in the business district. Farther out, he is astounded to find that much of what was until recent years the most substantial residential area of the city is being allowed to degenerate into semi-slums and that palatial homes are being wrecked to avoid payment of taxes. The reason for this devastation is smoke.
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> Other cities have smoke nuisance; St. Louis has a smoke calamity. According to tests by the United States Bureau of Public Health, she is the smokiest city in the United States, leaving even Pittsburgh a lap or two behind. . . .
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> In the past ten years the assessed valuation of city property has declined $250,000,000, or one-fifth, while property valuation in the county has risen proportionately. Meanwhile the city has contributed handsomely toward

> the construction of a $7,000,000 express highway to speed the exodus into the county of those who can afford to commute by motor between their country homes and their places of business in the city.
>
> The city of St. Louis and the federal government have undertaken to spend jointly $9,000,000 to clear away forty blocks of the smoke-blighted business section and to make a river-front park which the vast majority of the citizens will rarely see. Other millions of public funds are to be spent on slum-clearance projects. It would seem to be elementary wisdom to spend a portion of this money to subsidize a coking plant or some other plan to put an end to the curse of smoke. . . .
>
> St. Louis can be regenerated politically and rescued from economic decay if she can bring her wisest and ablest men into the active service of the city. But, to succeed, even these must possess more than ordinary wisdom and ability, in the ordinary sense of those words. They must have, also, political magnetism, to attract the loyalty of the rank and file of the citizens.

Equally frank talk would disclose serious conditions of growing decay in sections of practically all of our older cities and in many of the younger ones, too. It is a problem that must be attacked on many fronts—by property owners concerned with shrinking values, by merchants whose customers are moving away, by groups motivated by problems of public health and juvenile delinquency, by the enemies of unsafe and indecent housing conditions, and by all the friends of spacious urban development who believe that the future of American cities can be better advanced by bringing the country into the city than by forcing city dwellers to move into the country.

PLANNING AND HOUSING MEET

Ten years ago, at the request of the National Conference on City Planning, I presented at its annual meeting in Buffalo a paper entitled "Where City Planning and Housing Meet." That city planning and housing meet each other so constantly and embrace each other so intimately as to make holy matrimony their only proper relation, was the theme of the discussion. Because of the probability that our rapidly growing nation-wide concern with urban blight and slums now affords the best approach to effective citizen interest in planning, it may be worth while here to list some of the places where city planning and housing interact. They meet:

(1) In the zoning ordinance and the building code, (2) in the street system of the city, (3) in the onward or backward march of business and industry, (4) in the spread or reclamation of blighted and slum areas, (5) in laws and practices relating to real estate, including subdivision control, the practice of eminent domain, and excess condemnation, (6) in the increasing recognition of the fact that housing is a problem not only of buildings but of neighborhood, and that no community is worthy of the name that lacks adequate facilities for public recreation, (7) increasingly, in recent years, in large-scale housing projects, whether financed in the main by public or private funds.

The development of an adequate number of greenbelt towns and the rebuilding of large sections of our existing cities are processes which the present generation may start, but which future generations must complete. Our task of enlisting public support for housing and planning, therefore, must extend into the colleges and even into the grade schools. Discussing "The Promise of Education," in *The New Republic* for

November 8, 1939, William H. Kilpatrick, emeritus professor of education at Teachers College, Columbia University, emphasizes "acting on thinking" as coming "very close to summing up all we know both about school method and about intelligent life behavior."

"Positive steps must be taken," says Dr. Kilpatrick, "to have the school work contemplate the surrounding social life, beginning nearby but taking in an ever widening range.

"The pupils should, increasingly with age, engage in activities socially useful to the community. Instances are those elementary school boys at Montevallo, Alabama, who undertook to reclaim a tract of land badly eroded; or the pupils of that rural school in Virginia who (under a wise teacher) started out to study their community and eventually remade it; or those junior high school pupils in Paterson, New Jersey, who, faced with a motor highway shutting off the playground from their school, devised an underpass solution so good that it was accepted by the city. Through such means we can build a zeal for the common good analogous to that of the totalitarian states. They use the war motive, we must use peace."

THE PROJECT METHOD HELPFUL

This idea of education through participation—"learning by doing"—is not new, of course, though too little used in the field of planning. Back in 1925, at the annual meeting of the American Sociological Society, Shelby M. Harrison, now general director of the Russell Sage Foundation, discussed the project method in some detail in a paper on "Community Participation in City and Regional Planning." He said:

> I have sometimes wondered whether the project method . . . does not offer more than we may yet suspect in educating the present and oncoming generation for a fuller participation not only in city and regional planning but in the social, civic, and political life of our communities in general. There is a possible project field for almost every type of talent, from that possessed by the person whose ability might not go beyond indicating on a map the social and civic institutions of the community to the statistician who can handle the processes in higher mathematics involved in pursuing modern methods of predicting population growth. If we gave the suggestion a real trial, who knows but that we might not only discover an occasional genius in social and political science, with possibilities of great service in leadership, but we might also discover a way of greatly increasing the number of informed persons in the community on whom ultimately decisions must rest regarding grave matters of public policy.
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> In so far as their information bears on city and regional planning, we would have greater assurance of better ultimate plans, whether they happen to be *our* plans or those of someone else; and, what perhaps is still more important, a great many more people might be enabled to live fuller lives by finding a way by which they might make their contribution to the welfare of the community.

Interest in the motion picture as a means of arousing citizen support for planning has been greatly stimulated by "The City." Production of this dramatic "documentary" film, under the auspices of a committee of the American Institute of Planners, was made possible by a grant from the Carnegie Corporation of New York. It was the chief attraction for several months at the Little Theater in the Science and Education Building at the New York World's Fair of 1939, and is now being shown in numerous commercial theaters throughout the United States.[1]

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[1] Inquiries as to availability of the film for school use or other non-commercial show-

THE WORLD CRISIS

But, it may be asked, are we not now in the midst of a great international crisis, and ought we not to postpone our concern with local planning problems and citizen support therefor until the world settles down to the pursuit of peace? My answer is that anyone who believes he can help to hasten just and lasting understandings among the nations of the world, and is willing to work at that job, ought to do so by all means to the limit of his mental and physical strength. But for those of us who doubt our ability to do much more than talk and worry about world affairs, but who believe we can contribute towards the efficient functioning of democracy in America, there is a man-sized or woman-sized job at home.

One is reminded, in this connection, of the story from England regarding the patriotic females who marched through the streets in the early years of the last war, distributing white feathers to every man out of uniform. *Local Government Service,* of London, tells of an Oxford don approached by one of these Amazons who asked, in her most aggressive tone: "Why are you not at the front, fighting to defend civilization?" "Because madam," he retorted blandly, "I represent that civilization the soldiers are fighting to defend."

That is the reply which we of the United States might well make to advocates of American participation in the present conflict overseas. One of our major jobs is to convince officials and voters alike that planning is just as important an instrument for a democratic government as for a totalitarian state. "Millions for defense and not one cent for planning" would be a short-sighted slogan—as Walter H. Blucher pointed out at the National Conference on Planning in Boston last May.

If we but have the vision and the will to build at home communities more livable and a society finer and more just than we have yet attained, our service to humanity may be much greater than by attempting to fight dictatorial tyranny by force of arms. There should be no white feathers for the peaceful defenders of civilization.

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ings should be addressed to Civic Films, Inc., 56 West 45th Street, New York.

EDITOR'S NOTE: Address delivered before the Forty-fifth National Conference on Government of the National Municipal League, Indianapolis, Indiana, November 17, 1939.

Legislative Councils—An Appraisal

By **HARVEY WALKER**
Ohio State University

Many advantages seen in use of council as an aid to legislative competence; but its dangers must be watched if plan is to succeed.

LEGISLATIVE councils are not a panacea for all the ills of the democratic body politic. Those who have found them useful instruments for bringing intelligence to bear on legislative problems in our American states would probably be the first to admit that they are at most only one device for improving the legislative process. To those who would claim more one need only recall the extravagant claims which were made a generation ago for legislative reference and bill drafting agencies.

The oldest existing councils, those of Kansas and Michigan, were created in 1933. It was three years later when Virginia and Kentucky followed. Three more states created councils in 1937—Connecticut, Illinois, and Nebraska; while Maryland, the latest to adopt the council device, did so in 1939. Thus in the short space of six years, eight states have established legislative councils. In addition Wisconsin has an executive council, advisory to the governor on legislative matters, and Colorado and New Mexico each have a Committee on Interim Legislative Committees to integrate the work of these bodies and present their findings to the legislature. Thus remarkable progress has been secured for what has been heralded as a new idea in lawmaking. The future should be bright.

If we examine the legislative council closely we find that there is no uniform pattern for its composition and powers. In Connecticut and Kentucky the governor is a member; in the other states he is not. In Virginia he appoints the members although five of the seven must be from the legislature. In Kentucky he appoints part of the membership from outside of the legislature. Where the governor serves as a member there can be little doubt that he exerts a powerful influence over the program planning. But such councils do tie the executive and legislative branches together in a common program which spells progress for the state. Less important from the standpoint of executive-legislative rapport is the fact that in Illinois, Kentucky, and Kansas the lieutenant governor is a member. This supernumerary officer of the state, whose position is dispensed with without serious effect in a dozen states, may find in the legislative council a raison d'être.

The composition of present councils leads to some interesting speculations. Reference has already been made to the ex-officio membership of the governor and lieutenant governor. In Illinois the speaker of the house also serves. In Kentucky and Wisconsin persons entirely outside the legislature and the executive may be chosen as members. This enables the council to obtain the citizen viewpoint even before the lobby starts tearing its proposals apart. Where, as in Wisconsin, the council is really an executive body advisory to the governor rather than a true legislative council, there is much to be said for having citizen representation. But the more recently created councils seem to show a trend toward legislative independence. The legislators seem to feel that their function should be quite different from and independent of outsiders and even of the executive department. There is even less agreement on size. Connecticut has the smallest council with five, Virginia and Michigan have nine each, Maryland and Nebraska have fifteen each, while Kentucky has twenty-one, Illinois twenty-two, and Kansas twenty-seven. The state with the smallest council has the most legislators! One may conclude that so far as size is concerned, the movement is still in the experimental stage.

SENATE OUTWEIGHS HOUSE

Jealousy between the two houses of bicameral legislatures has resulted in giving equal representation to house and senate in Connecticut, Illinois, Kentucky, Kansas, and Maryland. The house is given more members than the senate, but not in proportion to membership in their bodies, in Kansas, Michigan, and Virginia. Nebraska is not concerned with this problem since it has but one house. Such an arrangement as this tends to give the senators a disproportionality of voice in decisions of the council, with corresponding repercussions in the house. Only further experience will show whether internal jealousies will have such an adverse effect on the work of the council as to make a more universal resort to unicameralism a prerequisite to the full success of the legislative council idea.

It should not be assumed that the emergence of the legislative council idea in Kansas and Michigan in 1933 was the direct result of the Wisconsin executive council experiment of 1931, or that it sprung fully armed from the foreheads of a pair of widely separated legislative Joves. Legislative history in the United States had been pointing toward the need for such service for at least fifty years. It first took the form of legislative reference and bill-drafting work such as that done by such doughty pioneers in scientific legislation as Indiana's Charles Kettleborough and Wisconsin's Charles McCarthy. The New York State Library was probably the earliest in the field, opening its legislative reference division in 1890. There are now forty-two states having some type of legislative reference service available full time or part time. About forty-three states have public bill draftsmen and fifteen states have some agency charged with the duty of continuous statutory revision. Of course, many of these agencies are only partially effective, but most of the more populous states do have public bill-drafting and legislative reference services which are really functioning. Technical services for legislators are not new.

The legislative reference and bill-drafting agency was no panacea. In some of the states this service is functioning better than in others. These differences are sometimes due to the personality of the chief of the agency, sometimes to generosity of financial support. Perhaps too much was expected. But it seems to me that the present position of these agencies could have been predicted. In many cases, the legislative reference bureaus were made a part of the executive department. Jealousy or political conflict caused distrust by the legislature of the impartiality of its service agency. Politics has often dictated the choice of the research director. When the bureau was connected with a library it often did not try to do more than answer direct questions. It undertook no major research problems. Bill drafting was legal hack work for law students not yet admitted to the bar or starving attorneys willing to take pitifully small piece-work wages. The legislature itself felt no corporate responsibility for the product of the reference or bill-drafting bureau. The lobby furnished the legislator with better digested and more plausible arguments on pending bills than he could secure from the bureau. The stage was set for the legislative council.

Legislators are prone to regret their dependence upon the executive department for such vital service as that represented by the work of legislative reference and bill-drafting agencies. Some states, such as New York, Pennsylvania, and California, established their services as a part of the legislative department. Others, such as Ohio, transferred their reference bureaus from executive to legislative control. But even these changes did not make the reference service adequate. There were two outstanding faults: (1) the planning function was not being exercised; and, (2) there was no corporate feeling of responsibility for the legislative program. The legislative council was designed to meet these needs.

Legislative councils, as we have seen, are composed in whole or in large part of practical legislators. In almost every case they are chosen by their peers as a sort of steering committee. Their position as leaders of legislative thought and action is assured by the method of their selection. Their opinions carry weight both in the council and in the legislative body. To this selected group must be added a competent research staff adequately financed to study the problems which the council members or the governor consider sufficiently important. The choice of the research projects in itself constitutes a sifting of potential items for a legislative program. When, after the research is completed and a report made, the members consider the bill or bills to be proposed, elementary compromises are made and an agreed bill already supported by the legislative leaders is prepared for the consideration of the legislative body. When the council is as large as it is in Kansas careful con-

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sideration would seem to be assured. The council gives a large number of the members a feeling of group responsibility for the program which they agree upon. While the remaining members of the legislature need not follow like sheep, they are bound to respect the opinions of their leaders not only because they are leaders, but also because they are significantly informed about the proposals.

The legislative council relieves the legislature of its traditional dependence upon the governor for the proposal of a legislative program. Of course he may, and usually does, make suggestions, but these are supplemented by the members to provide a more comprehensive coverage than could ever be suggested by any one person. The council also tends to break down the traditional jealousy between the two houses in those states which still have two houses. This, too, strengthens the hand of the legislature in its dealings with the governor and results in its becoming a strong and coördinate branch of the state government. For these reasons it seems desirable that the governor should be excluded from membership on the council. Coöperation between the houses as exemplified by a successful council might result in time in the adoption of a joint committee system—or even unicameralism.

WARNING SIGNALS

It should not be assumed, however, that there are no dangers in the legislative council program. Withdrawal of financial support, as in Michigan, can nullify its advantages. The legislators, working without an expert staff, are powerless. Jealousies may arise between non-council members and those who are on the council because of special compensation or other advantages denied to the ordinary member. Members may resent the pressure of a powerful bloc already committed to a particular course of action. Bills introduced by private members may be sidetracked and council measures given the right of way. The very fate of legislation could be determined by council members strategically placed on calendar committees. The temptations of power must be resisted if democracy is to reign.

Then, too, there are many problems of legislation which the legislative council does not solve although it may aid in their solution. Chief among these is the problem of the gerrymander, particularly pressing in urban states where the agricultural areas retain control. Another is the problem of frequency of legislative sessions. With the volume and type of business which now must be considered by the state legislature biennial sessions are inadequate. Quarterly sessions of the legislative council are no substitute for quarterly meetings of the legislature. The legislative body should be given power to call itself into special session. Business should not be lost by adjournment, but carried forward until disposed of. Committees should not have power of life or death over bills, etc. Of course many of these defects in our legislative process can be cared for by changes in legislative rules. Others require constitutional amendments. But they must be cured, if many other evils of the body politic are to be exorcised.

EDITOR'S NOTE: Address delivered before Forty-fifth National Conference on Government of the National Municipal League, Indianapolis, Indiana, November 16, 1939.

One House, Two Sessions

By **JOHN P. SENNING**
University of Nebraska

"The one-house legislature, restoring the legislative branch of government to the coordinate position it once held and giving the direct representatives of the people as great power as that of the chief executive, is the essence of democracy."

THE first two sessions of Nebraska's streamlined unicameral legislature have clearly demonstrated the wisdom and foresight of the man who was responsible for its adoption, Senator George W. Norris.

Although the work of the legislature is by no means perfect, the institution and its accomplishments are so generally accepted by the electorate that all attempts to abolish it and reinstate a bicameral body have proved abortive. A measure introduced in the last session to double the membership and return to partisan elections could not muster the requisite vote to force it out of committee.

Another indication of the attitude of the electorate is shown by statements of men running for state office that their determined opposition to the unicameral legislature before adoption has now changed to approbation.

One is constantly met with the question that, if the one-house legislature is a success, why have not other states followed the example of Nebraska. Newspapers and speakers throughout the United States have given the unicameral body much publicity, mingling fact, fancy, and misrepresentation. A speaker in California, for instance, announced to his audience that Nebraska had once adopted a one-house legislature but had abandoned it in disgust a few years ago; a writer in a midwestern newspaper gave an estimate of the 1939 session using 1937 statistics. A politician, addressing a political science club in a large state university, asserted that Senator Norris had told him in confidence that he wished he had not sponsored the unicameral legislature since it failed to work out as he anticipated. Senator Norris wrote to the newspaper publishing the statement that he had never had any conversation with the speaker.

Foundation for the nonpartisan election of legislators was built upon the long and generally accepted use of the nonpartisan ballot for many officials, independent voting in general elections, and the crossing of party lines in the legislature when an important economic or social issue was before it. Naturally the party leaders resented further inroads on party domination but the electorate as a whole has made little objection.

In the first election in 1936, when there was a Democratic landslide, twenty-two Democrats and twenty-one Republicans were chosen. In 1938, twenty-four Republicans and nineteen Democrats were elected. A statehouse reporter in commenting on this election said: "There are a few more Republicans than Democrats in the unicameral. If election had been on a partisan ballot the Re-

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publicans would have outnumbered the opposition at least two to one, as election returns indicate. Thus we would have had a Republican legislature making faces at a Democratic governor and vice versa if faces can be made that way; and how much shorter and more harmonious a time would not have been had by all at the capitol this winter!"

A few legislators, who aspire to higher political office or who shifted responsibility in the bicameral legislature to the shoulders of the political parties, have denounced nonpartisan elections on the plea that legislators are "political orphans."

Does party influence inject itself into the operations of the legislative body? In the first session the speaker was a Republican, the clerk a Democrat. In the second session there were predictions that since the Republicans had a majority of five the nonpartisan attitude would be discarded in the choice of legislative officers. The speaker is a Democrat and the Democratic clerk was re-elected by an overwhelming majority. In deliberation on measures which might be given a partisan slant there has never been a clear cut alignment on a party basis. For instance, the legislature has withstood enormous pressure from the political parties in both sessions for the enactment of a law providing for preprimary conventions.

It has been contended by some that since the legislature is nonpartisan it lacks leadership. To answer that question one must first determine whether the people want a rubber stamp legislature controlled by the governor or the party or whether they want legislation passed on the basis of thorough discussion and sound judgment illumined by facts. True, the legislature is deliberate and the last session was the longest in Nebraska history, one hundred and eleven days. It must be taken into consideration, however, that state legislation is now concerned with complicated and intricate social and economic questions.

In the extended debate on the electric power bills in 1939 the knowledge of and information on rates, public ownership, costs, and electrical machinery shown by the legislators, whether farmers, lawyers, or professional men, would have done credit to almost any body of men one could assemble.

As a matter of fact, each member of the one-house legislature feels that he is a representative of the people and has the right to express his opinion untrammeled by any domination. A Lincoln newspaper editor who has observed every legislative session beginning with 1891 says on this point: "The fact is that there is leadership, but it does not rest in the hands of one man or several men, but in the power of reason and common sense."

LEGISLATIVE PROCEDURE

The outstanding feature of the simplified procedure is that at any and all stages of progress, from committee consideration to final passage of a bill, there is fixed responsibility which cannot be shifted or overturned by a second house. Every bill is accorded a public hearing, announced five days in advance, so that everyone, whether lobbyist or private citizen, is apprised of the time and place of the hearing. If a second or adjourned hearing is held it too must be given five days notice.

There are no secret executive committee sessions. Though the public is excluded the press is always present and reports the action of the committee even to the votes of the members on important measures.

When a bill reaches the floor of the house it is subjected to two thorough considerations. On the first calendar, called general file, the bill is read section by section, debated, and amended if so voted. At this point it can be advanced to the second stage, select file, sent back to the standing committee, or indefinitely postponed.

Three days must elapse between the first and second considerations and, in the meantime, the measure is in the hands of the Committee on Enrollment and Review for a check-up on arrangement, phraseology, and correlation. That committee has no authority to make changes in bills without the consent of the legislature but by reason of the careful scrutiny given them it has already developed into an important revisory agency.

The second consideration, select file, really takes the place of a second house. Here bills are subjected to another thorough consideration, first upon the basis of recommendations by the Committee on Enrollment and Review, and second upon the merits of the measure as a whole. Only a specific amendment is permissible on select file. For amendments of a general nature the measure must be referred again to general file and, if amended, pass again through the Committee on Enrollment and Review on its return to select file. With the spacing of time between the first and second considerations, judgments have matured, weaknesses, if any, have been discovered, and differences of opinion have been ironed out.

After advancement from select file, the Committee on Enrollment and Review makes a final check-up and engrosses the bill. It is then printed in final form and must be on the desks of the members for at least one legislative day before third reading and final passage.

Instead of hasty legislation, as pre-

SENATOR GEORGE W. NORRIS

dicted by the opponents of the unicameral amendment, the one-house legislature has in fact slowed down deliberation.

Notwithstanding the fact that almost every citizen, individually or through some organization, is a potential or active lobbyist, there still persists the notion that the lobbyist is a dark and sinister specter which stalks through the legislature gathering up the hapless victims of its wiles. The lobby is here to stay and has a distinct function in legislation, through the expression of public opinion and the presentation of factual information. In the one-house legislature the advance notice of public hearings gives everyone an equal opportunity to be heard.

In each session there have been about four times as many registered lobbyists as legislators. Powerful interests have attempted to force members to support their bills but the legislative procedure is so direct and open that no member can conceal his vote and none wishes to admit that he is the tool of a lobby. The right of a single member to demand a record vote also curbs the power of the unscrupulous lobbyist as does also the absence of party control. The small house is a deterrent to the efforts of the predatory lobbyist who is the loudest advocate of a large membership and partisan elections.

LEGISLATIVE AND EXECUTIVE HARMONY

The present Governor, who had been a state employee for twelve years before he was elected chief executive on the Democratic ticket, began his first term when the last bicameral legislature, predominantly Democratic, was in session. Two years later, during his second term, he faced the changed relationship with the one-house body.

There were no serious clashes between the chief executive and the legislature in 1937 except that the Governor resented the increase in the budget above his recommendations. In the second session the relationship was that of two coördinate branches of the government working in coöperation. The Governor sent numerous messages to the legislature, particularly on the measures dealing with federal-state relationships, giving the legislature pertinent information which he had received from the federal government. He also called in chairmen of committees and committee members to discuss bills in which he was interested. In 1937 he vetoed seventeen bills, one of which was passed over his veto. In 1939 he vetoed six measures. In every case the veto was imposed because of policy and not for faulty drafting or technical inaccuracies.

The weakness of the legislature lies not in the legislative product, which has been considered very satisfactory, but in the volume of legislation introduced—581 bills in 1937 and 523 in 1939. The members are working on various plans to reduce the number in the next session.

This year the outstanding achievements accomplished by the legislature were the reduction of the budget by over four millions of dollars as compared with 1937, the reduction in the cost of the 1939 legislative session over that of 1937 by two thousand dollars (the total cost this year was $100,000), the defeat of twelve bills regulating various kinds of business, the passage of acts leading to a peaceful solution of the private versus public electric power issues, more drastic provisions in the county budget and accounting law, the placing of assistance on the basis of need, and the authorization of the Supreme Court to promulgate rules of practice and procedure for all courts.

A word should be said about the care with which the appropriations bill was prepared. The Appropriations Committee met the afternoon of each legislative day. The findings and results of each day's work were mimeographed and distributed to members of the legislature the following morning. Every expending agency was called before the committee and its accounts and spending practices investigated. All bills containing appropriations were acted upon before the budget bill was brought out on the floor and it contained every cent appropriated for the coming biennium so that the electorate might see the exact amounts involved.

ADVANTAGES OF SINGLE BODY

Viewing the entire process of legislation in the one-house legislature, in comparison with the bicameral system, one sees that it centralizes responsibility in legislation, brings the whole legislative process from behind the multiplicity of barriers into the open where the conscientious legislator has protection against measures of reprisal and double-crossing and where the chicanery of the dishonest legislator is easily discovered; it brings to a common focus in a face-to-face discussion all the varying viewpoints as to the merits or demerits of a measure, which according to the test of experience is essential to intelligent deliberation and enables the public to follow and understand the proceedings through simplified reporting by the daily press.

It is almost twenty years since the National Municipal League published its model state constitution. Although its compilation was the result of study, conference, and judgment of some of the soundest and best informed minds in the country, nevertheless one is struck, in the light of accomplishments and progress in state government during the last two decades, with its almost prophetic vision. The powers of the governor, the executive budget, the creation of judicial councils, home rule for cities, the merit system, and legislative councils are familiar features of the laws or constitutions of many states.

The league's plan for a single-chambered legislature has been adopted by only one state, notwithstanding the soundness of the proposal. The one-house legislature, restoring the legislative branch of the government to the coördinate position it once held and giving the direct representatives of the people as great power as that of the chief executive, is the essence of democratic government and it is the earnest hope of the advocates of the unicameral body in Nebraska that this plan of the National Municipal League, which has lain almost dormant for the last twenty years, will become a living issue in the commonwealths of the United States.

EDITOR'S NOTE: Address delivered before Forty-fifth National Conference on Government of the National Municipal League, Indianapolis, Indiana, November 16, 1939.

Comparative Tax Rates of 287 Cities—1939

By **ROSINA MOHAUPT**
Detroit Bureau of Governmental Research, Inc.

Eighteenth annual compilation of tax rates shows increase in tax trends, but continued decrease in assessed values of property in American municipalities.

ASSESSED values in American cities have apparently reached a plateau, while tax rates have been steadily increasing. For three years, beginning in 1932, assessed values were cut sharply in a belated effort to bring them into harmony with the decline in real estate values, but since 1934 these assessed values have remained practically constant. The larger cities are responsible for the greater share of this decrease in assessments, although many smaller cities have likewise reported decreases. However, the percentage of decrease shown by the smaller cities is only one-half that reported by more populous centers.

Tax rates have shown a small increase each year for the past four years, although the rate of increase has been diminishing, indicating roughly that the general property tax is perhaps reaching its maximum productivity. The tax burden on real property has two definite limits: (1) artificial limits, written into tax laws to induce economy, but which are likely to cause adventures into unsound financing; (2) traditional and practical limits which operate with perhaps as much rigidity as the artificial limits. Under existing economic conditions the American public either cannot pay high taxes on income-producing property or refuses to do so on non-income-producing property.

This trend is further developed in table VI which shows that between 1933 and 1939 assessed values decreased 8.4 per cent and the average adjusted tax rate increased $2.61. The greater part of this 8.4 per cent decrease in assessed value is traceable to the large decrease in the 1933-34 period.

This is the eighteenth annual compilation of the tax rates of American and Canadian cities over 30,000 population. It is made possible through

TABLE 1

COMPARISON OF ASSESSED VALUES AND AVERAGE ADJUSTED TAX RATES OF ALL AMERICAN CITIES REPORTING IN TWO SUCCESSIVE YEARS

Years	*Assessed Values Per Cent of Increase or Decrease*	*Average Adjusted Tax Rate, Amount of Increase or Decrease*
1938-39	— .5%	$+.45
1937-38	+ .8	+.65
1936-37	— .3	+.82
1935-36	+ .1	+.61
1934-35	—1.8	—.19
1933-34	—6.4	+.71

the generous coöperation of city and county officials as well as chambers of commerce and bureaus of municipal research in these cities.

The population figures are for 1930 although there have been some objections to their use. Estimates of population growth since 1930, however, have proven extremely unreliable. While it is undoubtedly true that numerous cities, especially smaller ones, are penalized by using population figures which are nine years old, it is believed that on the whole these figures are better than a combination of census and estimated figures.

The footnotes to the various cities are necessary for a clear understanding of the compilation. The assessment figures often include intangible or other personal property taxed at a different rate from real property. Footnotes explain the ratio and indicate the correct rate. The details of homestead exemption provisions are likewise explained by footnotes.

This year, for the first time, footnotes which apply to a large number of cities located within a state are separated from the individual footnotes and shown at the end of the tables. This arrangement gives a fair survey of the vagaries of assessment practices in the various states, which modify the conclusions in this summary.

The date taxes are due, or the date of the first installment, shown in the sixth column of the compilation, refers to city taxes only. In some areas the city, school district, county, and other taxing units all have different collection dates. The lack of uniformity makes it impossible to show more than the information for the city in the space allotted.

The tax rates reported are the actual rates levied by the various units of government, and are divided into four groups: city, school, county, and state. In some states there are many special districts such as flood control, conservation, forest preserve, township, town, park, sewerage, etc. The size of the tables in this compilation makes it impossible to show all of these rates separately in tabular form, and it has been necessary, therefore, to distribute the rates of the special districts to those shown in one of the four columns. Footnotes indicate the amount and nature of these additions.

Assessing practices vary widely as indicated in table II. These figures again emphasize the vagaries of assessing practices in this country. One factor responsible for these large variations is the practice in a few states of authorizing assessments at less than 100 per cent of true value, i.e., in Arkansas and Washington the

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TABLE II

Range of 1939 Tax Rates—270 American Cities

Population Group[1]	*City*	*Rate*	
I	Unadjusted Rates		
	Chicago, Ill.	$ 91.20	High
	Philadelphia, Pa.	27.25	Low
	Average	39.80	
	Adjusted Rates		
	Boston, Mass.	39.90	High
	San Francisco, Calif.	20.20	Low
	Average	29.38	
II	Unadjusted Rates		
	Minneapolis, Minn.	100.00	High
	Cincinnati, Ohio[2]	19.98	Low
	Average	43.63	
	Adjusted Rates		
	Jersey City, N. J.	48.38	High
	Cincinnati, Ohio[2]	15.98	Low
	Average	29.50	
III	Unadjusted Rates		
	Tampa, Florida	112.88	High
	Canton, Ohio	16.10	Low
	Average	40.48	
	Adjusted Rates		
	New Bedford, Mass.	48.00	High
	Birmingham, Ala.	10.80	Low
	Average	28.73	
IV	Unadjusted Rates		
	Charleston, S. C.	104.00	High
	Wheeling, W. Va.	15.92	Low
	Average	38.39	
	Adjusted Rates		
	Atlantic City, N. J.	63.93	High
	Wheeling, W. Va.	11.14	Low
	Average	26.65	
V	Unadjusted Rates		
	St. Petersburg, Fla.	109.13	High
	Steubenville, Ohio	14.30	Low
	Average	40.92	
	Adjusted Rates		
	Phoenix, Ariz.	47.91	High
	Fort Smith, Ark.	10.58	Low
	Average	27.15	

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[1] The United States Census groups cities according to population as indicated in the accompanying tabulation.

[2] Excluding Washington, which receives a substantial contribution from the federal government; Washington is low in Group II cities with a $17.50 unadjusted and $15.75 adjusted tax rate.

legal basis is 50 per cent of true value. The second, and more important, factor is that the assessor, because of assessing methods, tradition, or peculiarities of the tax system, does not work for a legal assessment at the 100 per cent basis, but uses some ratio less than this.

The adjusted tax rate is a device to equalize assessments on a uniform 100 per cent basis so the rates will have some comparative value. This is done by applying the estimated ratio of assessed to true value to the "raw" or total tax rate reported. In a few states tax commissions or similar bodies annually issue schedules of the estimated ratios by counties—Washington, New York, Illinois, and California follow this practice. In other states studies have been made to determine this assessment ratio, although they are not annual publications—Kentucky and Indiana have such studies. But for the majority of the states the ratio is purely an estimate, and because of the conditions under which the estimate is reported, sometimes is not too accurate. Whenever possible the assessing ratio is reported from official sources.

In some states the county assessment is based on a percentage of true value different from the city assessment. In such cases the adjusted tax rate is determined by adjusting each rate with its respective ratio and adding these figures. The ratio of assessed value to true value shown is the weighted average of the two separate ratios.

Of the 287 cities reporting this year, fifteen are Canadian and two show incomplete information. Table II shows the range of tax rates reported by the 270 American cities.

TABLE III

COMPARISON OF 1939 AND 1938 AVERAGE UNADJUSTED AND ADJUSTED TAX RATES OF 257 AMERICAN CITIES

Population Group	*Average Unadjusted Rates per $1,000 of Assessed Value* 1939	1938	Increase	*Average Adjusted Rates per $1,000 of Assessed Value* 1939	1938	Increase
I	$39.80	$38.65	$1.15	$29.38	$28.67	$ .71
II	43.63	43.08	.55	29.50	29.68	—.18
III	40.48	39.62	.86	28.73	27.73	1.00
IV	37.34	36.64	.70	26.54	26.07	.47
V	41.52	40.95	.57	27.02	26.93	.09
Total	40.07	39.36	.71	27.57	27.12	.45

TABLE IV

COMPARISON OF 1939 AND 1933 AVERAGE UNADJUSTED AND ADJUSTED TAX RATES OF 229 AMERICAN CITIES

Population Group	*Average Unadjusted Rates per $1,000 of Assessed Value* 1939	1933	Increase	*Average Adjusted Rates per $1,000 of Assessed Value* 1939	1933	Increase
I	$39.80	$34.39	$5.41	$29.38	$25.17	$4.21
II	43.63	39.50	4.13	29.50	27.17	2.33
III	39.43	37.02	2.41	28.24	25.68	2.56
IV	37.16	34.53	2.63	27.30	24.83	2.47
V	41.03	38.57	2.46	27.35	24.80	2.55
Total	39.56	36.81	2.75	27.81	25.20	2.61

Actual tax rates vary from $14.30 in Steubenville, Ohio, to $112.88 in Tampa, Florida, due principally to variations in assessment practices. When these variations have been adjusted the tax rates range from $10.58 in Fort Smith, Arkansas, to $63.93 in Atlantic City, New Jersey.

Group II cities alone show a decrease in adjusted tax rates during the past year—all other groups showing increases. The 18-cent decrease in the average adjusted tax rate together with the 1.12 per cent decrease in assessed valuations reported by Group II cities gives evidence that these cities are making strong efforts to reduce the burden of the real property tax. This is in contrast with the $1.70 increase in the average adjusted tax rate reported by this group last year.

The smaller cities (groups IV and V) show increases in both adjusted tax rates and assessed valuations again this year as they did last year. Groups I and III, while reporting increases in adjusted rates, report reductions in assessed valuations probably due to further deflation in realty values.

Table IV indicates the six-year trend which is perhaps more significant than the annual trend. It shows increases in both the unadjusted and adjusted tax rates for all groups. Some increase would be expected, for during the depression years budgets were cut and expenditures curtailed to keep in step with declining ability to pay taxes. With the return of more prosperous times, budgets expanded and new functions of government were added. In general, the increase during this six-year period has been about 10 per cent, which is not particularly significant when accompanied by declining assessed valuations.

TABLE V

COMPARISON OF 1939 AND 1938 PER CAPITA ASSESSED VALUATIONS FOR 257 COMPARABLE AMERICAN CITIES

Population Group	*1939*	*1938*	*Per Cent Decrease 1938-39*
I	$1,693	$1,703	.61%
II	1,450	1,466	1.12
III	1,183	1,188	.40
IV	1,268	1,262	+.49
V	1,176	1,170	+.48
Total	1,458	1,464	.45

TABLE VI

COMPARISON OF 1939 AND 1933 PER CAPITA ASSESSED VALUATIONS AND TAX RATES FOR 229 COMPARABLE AMERICAN CITIES

Population Group	*Decrease in Assessed Value 1933-1939*	*Increase in Unadjusted Tax Rates*	*Increase in Adjusted Tax Rates*
I	10.7%	$5.41	$4.21
II	4.7	4.13	2.33
III	5.8	2.41	2.56
IV	5.7	2.63	2.47
V	4.3	2.46	2.55
Total	8.4	2.75	2.61

Again, the plight of the larger cities is indicated by these figures. The increase in the tax rate (adjusted) for the six-year period is double that of the smaller cities—and this situation is made more acute by the considerable shrinkage in assessed value, which is about double that of the smaller cities. This trend is not complicated by the reductions caused by homestead exemptions, as none of the larger cities are affected. There is little doubt that some part, perhaps small, of the decrease in assessed values in the smaller cities is due to homestead exemption laws.

As discussed in these commentaries n the past, it is the larger cities which are faced with the more serious probems of financing. The constant cry for more funds extends into every state and into the national legislative body. Of course, some of the difficulties are within the control of these cities—it has been far easier to cry or financial aid, and to increase axes, than it has been to appraise present services and put these larger cities on a more efficient basis of operation.

IN SUMMARY

Considering the results of the compilations for the past seven years, it ppears that municipalities are merging from the effects of the depression and entering some new phase of municipal finance, which has at the present time only misty outlines. General property assessed values have shown no tendency to return to their former figures. There has been a decided shrinkage in assessments. To compensate for this shrinkage, tax rates have averaged an increase of about 10 per cent since 1933, which is not especially significant considering the effort made to levy low taxes during 1933—perhaps the lowest of the depression years.

This tabulation points to a decreasing burden on general property taxes in favor of other revenues, especially subsidies and grants from superior units of government. Whether this will be the new phase of municipal finance, and what its effects will be on local budget practices and upon local government, can only be speculated upon at this time.

In the larger cities the constantly recurring financial crises, growing deficits, and wild-cat financing are perhaps but manifestations of a transition to new forms of municipal financing and budgetary control. These compilations indicate rather clearly that most difficulty is now being experienced in the larger cities, but that it is anticipatory of what may soon occur in smaller municipalities.

(See following pages for complete compilation of tax rates.)

COMPARATIVE TAX RATES OF 287 CITIES FOR 1939

Compiled by the Detroit Bureau of Governmental Research from Data Furnished by City Officials and Members of the Governmental Research Association
(See General Notes at End of Tabulation)

	Census 1930	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation City	School	County	State	Total	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
Group I																
Population 500,000 and over																
1 New York, N. Y.[1]	6,930,446	$16,640,632,939	100	—	July 1	Oct. 1	2	$23.45*	$ 5.28*	$ .77*	$ —	$29.50	92	$27.14		1
2 Chicago, Ill.[2]	3,376,438	1,948,179,881	70	30	Jan. 1	Feb. 1	2	52.50	31.80	6.90	N	91.20	37	33.74		2
3 Philadelphia, Pa.[3]	1,950,961	3,421,446,213	74	26	Jan. 1	Jan. 25	1	17.00	10.25	N	N	27.25	100	27.25		3
4 Detroit, Mich.[4]	1,568,662	2,471,597,680	76	24	July 1	July 1	2	19.90	7.47	5.96	N	33.33	100	33.33		4
5 Los Angeles, Calif.[5]	1,238,048	1,347,520,265	86	14	July 1	Nov. 1	2	16.47	18.06	21.36	N	55.89	50	27.95		5
6 Cleveland, Ohio[6]	900,429	1,218,775,831	86	14	Jan. 1	Apr. 10	2	15.34	10.00	4.86	N	30.20	80	24.16		6
7 St. Louis, Mo.	821,960	1,055,515,347	89	11	Apr. 12	Sept. 15	4	17.50	8.70	N	1.50	27.70	85	23.55		7
8 Baltimore, Md.[7]	804,874	1,904,613,398	56	44	Jan. 1	Jan. 1	—	21.20	5.30*	N	2.34	28.84	100	28.84		8
9 Boston, Mass.	781,188	1,524,806,000	92	8	Jan. 1	June 15	—	24.74	8.41	1.90	4.85	39.90	100	39.90		9
10 Pittsburgh, Pa.[8]	669,817	1,098,771,890	100	—	Jan. 1	Jan. 1	12	15.47	12.25	7.88	N	35.60	80	28.48		10
11 San Francisco, Calif.[9]	634,394	823,988,484	88	12	July 1	Oct. 17	2	34.22	6.18	N	N	40.40	50	20.20		11
12 Milwaukee, Wis.[10]	578,249	845,608,630	92	8	Jan. 1	Jan. 1	1	15.75	11.79	9.99	.30	37.83	90	34.05		12
13 Buffalo, N. Y.[11]	573,076	960,223,790	100	—	July 1	July 1	2	23.23	6.86	9.40	.21	39.70	84	33.35		13
Group II																
Population 300,000 to 500,000																
14 Washington, D. C.[12]	486,869	1,295,763,019	94	6	July 1	Sept. 1	4	17.50	—	N	N	17.50	90	15.75		14
15 Minneapolis, Minn.[k]	464,356	238,032,529	82	18	Jan. 1	Jan. 1	2	52.03	25.15	13.05	9.77	100.00	36	35.69	4,000[k]	15

* = Estimated. N = None.

§ These cities report different assessment ratios for the city and the county. The ssessment ratio shown is the weighted average (to the nearest integer) of the ifferent ratios.

No state levy on real property in the following states: California, Delaware, Illinois, ichigan, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, and irginia.

[1] **New York City.** Division of $29.50 total tax rate is estimated on basis of appropriaion. Varying rates are levied on the several boroughs for local improvements, the ate shown being that for Manhattan Borough. See footnote [n].

[2] **Chicago.** City rate includes $3.00 poor relief, $9.80 park district, and $6.70 sanitary istrict rates. County rate includes $.90 forest preserve.

[3] **Philadelphia.** Assessed value includes $892,992,490 "money at interest" taxed at mills. City rate includes cost of county government which is consolidated with he city.

[4] **Detroit.** 1938 county rate reported.

[5] **Los Angeles.** County rate includes $2.19 flood control and $4.20 metropolitan water istrict rates.

[6] **Cleveland.** Assessed value does not include intangible personal property assessed on income and taxed at from 2 to 5 mills, but does include $173,760,771 tangible personal property which is taxed at same rate as realty but at 50 to 70 per cent of its value. See footnote [p].

[7] **Baltimore.** Intangible personalty, representing $676,761,940 of the total assessment is taxed at the limited and classified fixed rates of $1.88 to $10.00 per $1,000. School rate estimated on basis of appropriations.

[8] **Pittsburgh.** City rate is average of $20.60 on land and $10.30 on buildings. Because of varying proportions of land to building the city rate on various pieces of property actually varies from about 11 to 20.6 mills. See footnote [r].

[9] **San Francisco.** City is combined with county. Valuation does not include solvent credits $147,912,757 taxed at one mill.

[10] **Milwaukee.** City rate includes $2.15 for retirement of city's share of metropolitan sewerage district debt.

[11] **Buffalo.** City rate includes school debt service and $.73 sewer rate. See footnote [n].

[12] **Washington.** Assessed value does not include $533,829,190 intangibles subject to income tax. It is estimated that business property is assessed at 100% or more of true value, but that residential values pull the average ratio for the city down to 90%. School rate included with city rate.

		Census 1930	Assessed Value	Per Cent		City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation					Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
				Realty	Personalty				City	School	County	State	Total				
16	New Orleans, La.[13]	458,762	500,316,655	72	28	Jan. 1	Jan. 1	2	21.50	7.00	5.50	5.75	39.75	71§	28.38	1,000[h]	16
17	Cincinnati, Ohio[p]	451,160	822,320,640	89	11	Jan. 1	Dec. 20	10	9.39	7.30	3.29	N	19.98	80	15.98		17
18	Newark, N. J.[14]	442,337	828,535,588	79	21	Jan. 1	Feb. 1	4	27.28	9.48	5.78	2.96	45.50	100	45.50		18
19	Kansas City, Mo.	399,746	493,000,000	81	19	May 1	June 1	1	15.00	14.00	6.20	1.50	36.70	77§	28.39		19
20	Seattle, Wash.[15]	365,583	245,324,329	79	21	Jan. 1	Feb. 6	2	21.50	13.50	14.32	2.78	52.10	40	20.84		20
21	Indianapolis, Ind.[16]	364,161	510,669,880	73	27	Jan. 1	Jan. 1	2	13.00	9.60	8.00	1.50	32.10	75	24.08		21
22	Rochester, N. Y.[n]	328,132	529,484,669	100	—	Sept. 1	Jan. 1	4	20.46	10.96	10.31	—	41.73	78	32.55		22
23	Jersey City, N. J.[m]	316,715	645,010,583	86	14	Jan. 1	Feb. 1	4	25.06	10.31	9.97	3.04	48.38	100	48.38		23
24	Louisville, Ky.[17]	307,745	417,730,000	73	27	Sept. 1	May 1	—	16.80	7.10	4.70	1.71	30.31	85	25.76		24
25	Portland, Ore.[18]	301,815	269,999,150	87	13	Dec. 1	Mar. 15	4	26.60	14.80	16.00	2.10	59.50	55	32.73		25
	Group III																
	Population 100,000 to 300,000																
26	Houston, Tex.	292,352	Not reported														26
27	Toledo, Ohio[p]	290,718	437,021,010	90	10	Jan. 1	Dec. 20	2	8.07	8.44	2.89	N	19.40	85	16.49		27
28	Columbus, Ohio[p]	290,564	362,888,530	77	23	Jan. 1	June 1	2	6.80	8.30	2.40	N	17.50	100	17.50		28
29	Denver, Colo.[19]	287,861	353,777,630	71	29	Jan. 1	Jan. 1	2	16.56	16.84	N	4.50	37.90	80	30.32		29
30	Oakland, Calif.[20]	284,063	259,796,258	86	14	July 1	Nov. 1	2	19.70	16.22	16.08	N	52.00	50	26.00		30
31	St. Paul, Minn.[21]	271,606	134,652,994	82	18	Jan. 1	May 31	2	41.11	22.02	25.30	9.77	98.20	38	37.32	4,000[k]	31
32	Atlanta, Ga.[22]	270,366	341,416,861	73	27	Jan. 1	May 1	3	11.20	6.30	12.50	5.00	35.00	59§	20.70	2,000[d]	32
33	Dallas, Tex.	260,475	289,949,500	71	29	Oct. 1	Oct. 1	2	17.40	7.50	7.30	7.70	39.90	53	21.15	3,000[u]	33
34	Birmingham, Ala.	259,678	161,615,116	—	—	Sept. 1	Oct. 1	4	11.50	6.50	11.50	6.50	36.00	30	10.80	2,000[a]	34
35	Akron, Ohio[23]	255,040	273,500,000*	73	27	Jan. 1	Dec. 20	2	14.50	11.64	2.76	N	28.90	60	17.34		35
36	Memphis, Tenn.[24]	253,143	279,732,804	88	12	Jan. 1	May 1	4	14.80	6.50	8.80	.80	30.90	85	26.27		36
37	Providence, R. I.[25]	252,981	505,994,960	81	19	Oct. 1	Oct. 1	4	14.50	9.50	N	N	24.00	100	24.00		37
38	San Antonio, Tex.	231,542	209,568,670	65	35	June 1	Apr. 1	1	18.80	10.00	6.50	7.70	43.00	63§	27.28	3,000[u]	38
39	Omaha, Neb.	214,006	241,892,490	—	—	Jan. 1	Jan. 1	2	14 75	14.00	5.42	3.08	37.25	70	26.08		39
40	Syracuse, N. Y.[e]	209,326	352,655,255	100	—	Jan. 1	Jan. 1	4	23.05	10.02	8.53	.23	41.83	91	38.07		40

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[13] **New Orleans.** Figure in county column is levee and flood reparation rate. The ounty levies no tax since it is consolidated with the city government. Legal basis f assessment for city is 85%, for county 100% of true value.

[14] **Newark.** City rate includes amount levied for "cash basis" reserve for whole evy. See footnote [m].

[15] **Seattle.** County rate includes $1.40 Port of Seattle rate. See footnote [w].

[16] **Indianapolis.** City rate includes $3.20 township poor relief.

[17] **Louisville.** See footnote [g].

[18] **Portland, Oregon.** City rate includes dock and port rates of $2.38 and $1.90 espectively.

[19] **Denver.** City rate includes cost of county government which is consolidated with city.

[20] **Oakland.** County rate includes $2.20 municipal utility district (water), $.50 park district, and $.08 mosquito abatement rates.

[21] **St. Paul.** Since the 1940 rates were not available at the time of this tabulation, it was suggested that the 1939 rates be shown. See note [k].

[22] **Atlanta.** Assessed value and city and school rates are 1938 figures.

[23] **Akron.** City rate includes $.12 metropolitan park rate.

[24] **Memphis.** City rate includes $1.10 park and $.30 library rates.

[25] **Providence.** Assessed value does not include $291,754,100 intangible personal property taxed at 4 mills. See footnote [e].

		Census 1930	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation City	School	County	State	Total	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
—	Honolulu, Hawaii[26]	202,923	168,749,797	72	28	Jan. 1	Jan. 1	2	30.88	—	N	N	30.88	79	24.40	note[26]	—
41	Dayton, Ohio[p]	200,982	308,730,410	—	—	Jan. 1	Dec. 20	2	11.33	9.08	3.39	N	23.80	90	21.42		41
42	Worcester, Mass.	195,311	268,153,700	93	7	Jan. 1	Oct. 1	—	27.74	8.38	1.11	1.97	39.20	100	39.20		42
43	Oklahoma City, Okla.[27]	185,389	116,784,520	84	15	July 1	Oct. 1	4	12.73	19.22	10.40	N	42.35	40	16.94	1,000[q]	43
44	Richmond, Va.	182,929	257,021,179	92	8	Feb. 1	June 15	2	14.50	7.50	N	N	22.00	87	19.14		44
45	Youngstown, Ohio[p]	170,002	266,145,190	77	23	Jan. 1	Feb. 10	2	8.06	8.33	2.21	N	18.60	80	14.88		45
46	Grand Rapids, Mich.[j]	168,592	191,985,310	81	19	Apr. 1	July 1	1	9.35	7.80	3.50	N	20.65	100	20.65		46
47	Hartford, Conn.[28]	164,072	369,558,403	85	15	Apr. 1	Apr. 1	4	14.91	12.45	.55	1.34	29.25	100	29.25		47
48	Fort Worth, Tex.[29]	163,447	163,002,265	75	25	Oct. 1	Oct. 1	2	21.10	11.00	9.00	4.90	46.00	65§	29.90	3,000[u]	48
49	New Haven, Conn.	162,655	307,649,979	85	15	Jan. 1	Jan. 1	2	16.24	10.12	.43	.71	27.50	100	27.50		49
50	Flint, Mich.[j]	156,492	205,583,120	81	19	July 1	July 1	3	10.60	8.30	3.30	N	22.20	100	22.20		50
51	Nashville, Tenn.	153,866	168,053,957	69	31	Aug. 1	Aug. 1	2	18.05	2.95	8.50	.80	30.30	90	27.27		51
52	Springfield, Mass.	149,900	264,828,400	93	7	Jan. 1	Nov. 1	1	19.62	10.20*	1.33	4.25	35.40	100	35.40		52
53	San Diego, Calif.	147,995	145,198,345	85	15	July 1	Nov. 1	2	20.60	17.81	21.00	N	59.41	50	29.71		53
54	Bridgeport, Conn.	146,716	248,234,875	78	22	Apr. 1	Apr. 1	2	21.32	5.74	.25	.99	28.30	100	28.30		54
55	Scranton, Pa.[r]	143,433	103,822,335	100	—	Jan. 1	Apr. 1	4	18.10	19.00	7.60	N	44.70	70	31.29		55
56	Des Moines, Iowa[30]	142,559	135,767,643	84	16	Apr. 1	Jan. 1	2	21.72	22.60	11.36	2.30	57.98	68	39.43	2,500[f]	56
57	Long Beach, Calif.[31]	142,032	233,875,625	85	15	July 1	Nov. 1	2	10.90	17.45	21.36	N	49.71	53§	26.49		57
58	Tulsa, Okla.[32]	141,258	106,464,521	—	—	July 1	Oct. 1	4	17.17	18.05	8.02	N	43.24	60	25.94	1,000[q]	58
59	Salt Lake City, Utah	140,267	133,525,966	78	22	Jan. 1	Nov. 30	1	15.00	12.86	7.00	7.90	42.76	70	29.93	note[v]	59
60	Paterson, N. J.[m]	138,513	168,194,959	91	9	Jan. 1	Feb. 1	4	17.83	17.05	8.23	3.09	46.20	100	46.20		60
61	Yonkers, N. Y.[n]	134,646	311,140,120	100	—	Jan. 1	Jan. 1	4	21.14	10.94	5.02	.17	37.27	95	35.41		61
62	Norfolk, Va.[33]	129,710	150,678,897	88	12	Jan. 1	Mar. 15	4	25.00	—	N	N	25.00	80	20.00		62
63	Jacksonville, Fla.[34]	129,549	80,779,260	93	7	Jan. 1	Jan. 1	1	20.00	22.50	19.97	5.23	67.70	50	33.85	5,000[o]	63
64	Albany, N. Y.[35]	127,412	241,844,705	100	—	Jan. 1	Jan. 1	1	26.06	—	7.37	.19	33.62	88	29.59		64
65	Trenton, N. J.[m]	123,356	158,070,359	87	13	Jan. 1	Feb. 1	4	19.52	12.74	7.65	3.09	43.00	85	36.55		65

[26] **Honolulu.** Rate on real estate is shown; rate on personal property is $37.34 ($29.50 adjusted). City rate includes cost of county government which is consolidated with city, and school rate. *Homestead Exemption:* First $1,500 of assessed value plus one half of value over $1,500 and below $5,000. Maximum exemption is $3,250.

[27] **Oklahoma City.** Assessed value includes $13,969,700 homesteads which are exempt from all taxes except debt service.

[28] **Hartford.** City rate includes $.87 metropolitan district rate.

[29] **Fort Worth.** City rate includes $3.60 water conservation rate.

[30] **Des Moines.** Assessed value does not include $29,017,645 moneys and credits taxed at 6 mills.

[31] **Long Beach.** County rate includes $2.19 flood control and $4.20 metropolitan water district rates.

[32] **Tulsa.** Assessed value includes $11,022,270 homestead property subject to debt service rates only.

[33] **Norfolk.** Assessed value includes $1,413,365 machinery which is taxed at $10.00 per $1,000. School tax is included in city rate.

[34] **Jacksonville.** State rate includes $1.60 inland navigation and ship canal rate. Assessed value includes $14,814,360 homesteads exempt from all taxes except debt service

[35] **Albany, Chattanooga, New Bedford, Pawtucket, Manchester, Roanoke, Holyoke, Pittsfield, Woonsocket, Portsmouth, Alameda.** School rate included with city rate.

		Census 1930	Assessed Value	Per Cent		City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation					Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
				Realty	Personalty				City	School	County	State	Total				
66	Kansas City, Kans.	121,857	86,562,150	83	17	Jan. 1	Nov. 1	2	19.00	22.50	16.16	1.84	59.50	50	29.75		66
67	Chattanooga, Tenn.[35]	119,798	111,216,274	73	27	Oct. 1	Oct. 1	—	20.00	—	16.40	.80	37.20	75	27.90		67
68	Camden, N. J.[m]	118,700	134,766,936	86	14	Jan. 1	Jan. 1	4	16.39	15.05	8.44	3.12	43.00	85	36.55		68
69	Erie, Pa.[r]	115,967	125,760,605	100	—	Jan. 1	Jan. 1	—	12.00	16.00	7.00	N	35.00	75	26.25		69
70	Spokane, Wash.[w]	115,514	71,349,006	80	20	Jan. 1	Feb. 1	2	18.00	11.50	12.59	2.61	44.70	50	22.35		70
71	Fall River, Mass.[l]	115,274	92,535,650	90	10	Jan. 1	July 1	2	—	—	—	—	39.80	100	39.80		71
72	Fort Wayne, Ind.[36]	114,946	150,000,000	81	19	Jan. 1	May 1	2	7.30	8.90	8.90	1.50	26.60	70	18.62		72
73	Elizabeth, N. J.[m]	114,589	139,033,328	91	9	Jan. 1	Feb. 1	4	20.02	12.50	7.48	3.10	43.10	100	43.10		73
74	Cambridge, Mass.	113,643	171,869,700	94	6	Jan. 1	Oct. 1	1	26.08	7.93	1.01	5.48	40.50	100	40.50		74
75	New Bedford, Mass.[35]	112,597	101,774,825	88	12	Jan. 1	—	1	42.36	—	2.05	3.59	48.00	100	48.00		75
76	Reading, Pa.	111,171	145,314,725	100	—	Jan. 1	Mar. 1	1	11.00	13.00	5.50	N	29.50	96§	28.24		76
77	Wichita, Kans.	111,110	114,100,476	85	15	Jan. 1	Nov. 1	2	10.85	16.84	8.68	2.03	38.40	87§	33.49		77
78	Miami, Fla.[37]	110,637	164,718,510	88	12	July 1	Nov. 1	—	29.08	9.40	9.43	1.44	49.35	60	29.61	5,000[c]	78
79	Tacoma, Wash.[38]	106,817	49,072,429	77	23	Jan. 1	Feb. 15	2	25.75	13.00	15.93	3.04	57.72	50	28.86		79
80	Wilmington, Del.[39]	106,597	158,739,775	100	—	July 1	July 1	—	14.50	1.50	4.00	N	20.00	80	16.00		80
81	Knoxville, Tenn.	105,802	129,391,958	85	15	Jan. 1	May 1	12	20.79	5.71	14.50	.80	41.80	80	33.44		81
82	Peoria, Ill.[40]	104,969	81,627,771	70	30	Jan. 1	Feb. 1	2	30.15	17.50	4.15	N	51.80	35	18.13		82
83	Canton, Ohio[p]	104,906	145,496,140	81	19	Jan. 1	June 20	2	4.50	8.90	2.70	N	16.10	100	16.10		83
84	South Bend, Ind.[41]	104,193	131,283,450	75	25	Jan. 1	May 1	2	8.05	10.25	9.30	1.50	29.10	80	23.28		84
85	Somerville, Mass.	103,908	114,124,400	95	5	Jan. 1	Oct. 1	10	23.19	12.00	1.24	4.97	41.40	100	41.40		85
86	El Paso, Tex.	102,421	77,093,670	79	21	Mar. 1	Dec. 15	2	13.50	11.00	7.50	4.90	36.90	60§	22.14	3,000[u]	86
87	Lynn, Mass.	102,320	131,280,880	92	8	Jan. 1	July 1	2	18.85	10.09	4.84	1.42	35.20	100	35.20		87
88	Evansville, Ind.[41]	102,249	118,601,480	69	31	Jan. 1	May 1	2	8.40	9.80	11.70	1.50	31.40	100	31.40		88
89	Utica, N. Y.[n]	101,740	129,278,080	100	—	Jan. 1	June 1	2	24.57	9.07	8.55	.21	42.40	78	33.07		89
90	Duluth, Minn.[k]	101,463	53,915,183	78	22	Jan. 1	Jan. 2	4	42.04	38.70	19.20	9.77	109.71	35§	38.40	4,000[k]	90
91	Tampa, Fla.[42]	101,161	78,028,735	87	13	June 1	June 1	—	35.50	22.00	50.50	4.88	112.88	39§	43.54	5,000[c]	91
92	Gary, Ind.[41]	100,426	136,078,005	—	—	Jan. 1	May 1	2	10.15	13.35	12.00	1.50	37.00	60	22.20		92
93	Lowell, Mass.	100,234	95,474,300	93	7	Jan. 1	July 1	2	27.07	12.61	1.48	4.84	46.00	100	46.00		93
	Group IV																
	Population 50,000 to 100,000																
94	Waterbury, Conn.	99,902	Not reported														94
95	Schenectady, N. Y.[43]	95,692	154,236,805	100	—	Jan. 1	Jan. 2	4	15.78	10.07*	8.71	.17	34.73	120	41.68		95

[36] **Fort Wayne.** County rate includes $3.73 township rate. Rates shown are subject to revision.

[37] **Miami.** Assessed value includes $37,467,280 of homesteads taxed for debt service only.

[38] **Tacoma.** City rate includes $2.00 park rate and county rate includes $3.00 port rate.

[39] **Wilmington.** Assessed value includes $2,394,200 public utilities taxed at $36.25 by the city and $3.75 per $1,000 by schools.

[40] **Peoria.** City rate includes $3.25 park, $3.50 sanitary district, and $3.00 town rates.

[41] **South Bend, Evansville, Gary.** County rates include following township rates: South Bend, $3.70; Evansville, $5.30; Gary, $6.85.

[42] **Tampa.** City rate reported is for territory A which comprises 53% of the assessed value. City rates for other three territories are: B, $34.00; C, $30.50; and D, $36.00.

[43] **Schenectady.** School rate estimated on basis of appropriations. Assessed value of residential and general business property estimated at 120% of true value. State equalization figure of 85% reflects undervaluation of one manufacturing plant representing 11% of total valuation.

		Census 1930	Assessed Value	Per Cent		City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation					Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
				Realty	Personalty				City	School	County	State	Total				
96	Sacramento, Calif.	93,750	116,388,420	86	14	July 1	Nov. 1	2	18.90	17.70	14.20	N	50.80	55§	27.86		96
97	Allentown, Pa.[r]	92,563	103,784,580	100	—	Jan. 1	Apr. 15	4	12.40	15.00	5.00	N	32.40	75	24.30		97
98	Bayonne, N. J.[m]	88,979	138,560,119	84	16	Jan. 1	Feb. 1	4	21.67	16.55	9.29	2.88	50.39	100	50.39		98
99	Wilkes-Barre, Pa.[r]	86,626	89,749,541	99	1	Jan. 1	Apr. 1	1	13.00	17.50	8.20	N	38.70	85	32.90		99
100	Rockford, Ill.[44]	85,864	54,274,766	72	28	Jan. 1	June 1	2	24.30	21.00	5.10	N	50.40	40	20.16		100
101	Lawrence, Mass.	85,068	88,108,600	87	13	Jan. 1	July 1	2	20.76	12.93	1.68	3.43	38.80	100	38.80		101
102	Savannah, Ga.	85,024	60,553,647	77	23	Jan. 1	Feb. 1	4	23.00	10.00	12.50	5.00	50.50	60	30.30	2,000[d]	102
103	Charlotte, N. C.[45]	82,675	109,120,895	77	23	July 1	Oct. 2	2	12.30	2.93	8.50	N	23.73	67	15.90	note[o]	103
104	Berkeley, Calif.[46]	82,109	92,790,220	91	9	July 1	Nov. 2	2	12.06	20.36	16.08	N	48.50	54§	26.06		104
105	Altoona, Pa.[r]	82,054	75,044,240	100	—	Jan. 2	Mar. 1	—	10.00	14.50	7.50	N	32.00	68§	21.75		105
106	Little Rock, Ark.	81,679	Not reported														106
107	St. Joseph, Mo.	80,935	64,708,550	73	27	Apr. 17	May 5	1	15.00	12.80	7.50	1.50	36.80	65	23.92		107
108	Saginaw, Mich.[j]	80,715	97,971,707	84	16	July 1	July 1	8	9.75	6.74	3.25	N	19.74	100	19.74		108
109	Harrisburg, Pa.	80,339	Not reported														109
110	Sioux City, Iowa	79,183	85,914,962	80	20	Apr. 1	Jan. 1	2	13.84	19.65	10.02	2.34	45.85	60	27.51	2 500[t]	110
111	Lansing, Mich.[j]	78,397	104,076,817	82	18	May 1	July 17	1	15.92	7.00	3.40	N	26.32	80	21.06		111
112	Pawtucket, R. I.[35]	77,149	157,446,554	68	32	Jan. 1	Oct. 15	4	21.00	—	N	N	21.00	100	21.00		112
113	Manchester, N. H.[35]	76,834	86,005,329	82	18	Jan. 1	Sept. 1	—	30.28	—	9.51	.21	40.00	100	40.00		113
114	Binghamton, N. Y.[n]	76,662	106,494,873	100	—	Jan. 1	Jan. 1	2	24.96	8.37	6.35	—	39.68	83	32.93		114
115	Shreveport, La.	76,655	Not reported														115
116	Pasadena, Calif.[47]	76,086	127,648,545	91	9	July 1	Oct. 10	1	12.30	18.13	18.86	N	49.29	56§	27.73		116
117	Lincoln, Neb.[48]	75,933	97,427,170	78	22	Sept. 1	Oct. 1	2	9.75	15.00	3.50	3.04	31.29	80	25.03		117
118	Huntington, W. Va.[49]	75,572	106,517,310	62	38	July 1	Oct. 1	2	5.00	12.88	5.36	.10	23.34	80	18.67	note[x]	118
119	Niagara Falls, N. Y.	75,460	Not reported														119
120	Winston-Salem, N. C.	75,274	97,500,000*	—	—	July 1	Oct. 1	1	12.92	2.58	5.50	N	21.00	70	14.70	note[o]	120
121	East St. Louis, Ill.[50]	74,347	38,755,310	63	37	Jan. 1	May 1	2	34.43	30.70	7.50	N	72.63	36	26.14		121
122	Troy, N. Y.[n]	72,763	73,565,419	100	—	Jan. 1	Jan. 1	2	27.67	9.81	13.06	—	50.54	80	40.43		122
123	Quincy, Mass.	71,983	Not reported														123
124	Springfield, Ill.[51]	71,864	50,468,692	80	20	Mar. 1	June 1	2	27.00	17.00	5.50	N	49.50	41	20.30		124
125	Portland, Me.[52]	70,810	76,354,400	79	21	Jan. 1	Aug. 1	1	28.60	10.49	1.91	6.60	47.60	90	42.84		125

[44] **Rockford.** City rate includes $6.70 township, $4.00 sanitary sewer district, and $1.50 park rates.

[45] **Charlotte.** Since the 1939 assessed value was not available in time for this report the 1938 figure is shown.

[46] **Berkeley.** County rate includes $2.20 municipal utility district (water), $.50 regional park, and $.08 mosquito abatement rates.

[47] **Pasadena.** County rate includes $1.70 metropolitan water and $2.19 flood control rates.

[48] **Lincoln.** City rate includes $1.00 sanitary district rate.

[49] **Huntington.** Assessed value includes about 10% Class I and 20% Class II property taxed at $4.59 and $9.19 respectively. The remainder of the assessment roll is taxed at the rate shown.

[50] **East St. Louis.** City rate includes $8.20 levee, $5.10 park, $3.00 township, and $1.33 health district rates.

[51] **Springfield, Illinois.** City rate includes $3.90 town, $4.00 sanitary district, and $2.00 park rates. Assessment ratio shown is State Tax Commission figure. County auditor reports 30% as his estimate.

[52] **Portland, Maine.** County rate includes $.39 pier site and bridge district rate.

		Census 1930	Assessed Value	Per Cent		City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation					Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
				Realty	Personalty				City	School	County	State	Total				
26	Lakewood, Ohio[p]	70,509	93,606,760	90	10	Jan. 1	Dec. 20	2	5.44	13.21	4.85	N	23.50	75	17.63		126
27	Roanoke, Va.[35]	69,206	61,749,358	89	11	Jan. 1	Mar. 1	4	25.00	—	N	N	25.00	50	12.50		127
28	Springfield, Ohio[p]	68,743	84,927,507	80	20	Jan 1	Dec. 20	2	8.40	7.70	1.90	N	18.00	75	13.50		128
29	Mobile, Ala.	68,202	40,745,107	77	23	Oct. 1	Dec. 1	1	7.50	3.00	18.50	6.50	35.50	60	21.30	2,000[a]	129
30	New Britain, Conn.	68,128	105,202,886	82	18	Apr. 1	May 15	1	13.77*	13.66*	.52	1.55	29.50	100	29.50		130
31	East Orange, N. J.[m]	68,020	114,190,226	93	7	Jan. 1	Feb. 1	4	18.77	10.69	6.32	3.22	39.00	100	39.00		131
32	Racine, Wis.	67,542	106,750,271	90	10	Jan. 1	Jan. 1	1	5.72	11.37	11.76	.22	29.07	90	26.16		132
33	Johnstown, Pa.[r]	66,993	77,402,820	92	8	Jan. 1	Mar. 1	1	12.50	15.00	6.00	N	33.50	85	28.48		133
34	Cicero, Ill.	66,602	Not reported														134
35	Atlantic City, N. J.[m]	66,198	94,546,566	92	8	Jan. 1	—	4	39.98	10.54	10.16	3.25	63.93	100	63.93		135
36	Montgomery, Ala.	66,079	Not reported														136
37	Newton, Mass.[1]	65,276	167,344,800	91	9	Jan. 1	—	2	—	—	—	—	30.20	100	30.20		137
38	Covington, Ky.[g]	65,252	58,374,743	74	26	Jan. 1	June 30	2	12.90	18.90	6.00	1.67	39.47	70	27.63		138
39	Pontiac, Mich.[j]	64,928	66,871,530	74	26	Jan. 1	Aug. 1	1	12.23	8.76	5.70	N	26.69	100	26.69		139
40	Hammond, Ind.[e]	64,560	89,580,390	75	25	Jan. 1	Apr. 29	2	10.15	12.00	10.95	1.50	34.60	60	20.76		140
41	Topeka, Kans.	64,120	Not reported														141
42	Oak Park, Ill.[53]	63,982	41,206,642	82	18	Jan. 1	Mar. 1	2	27.70	34.90	7.40	N	70.00	37	25.90		142
43	Brockton, Mass.	63,797	Not reported														143
44	Evanston, Ill.[54]	63,338	49,478,217	80	20	Jan. 1	Mar. 1	2	28.14	36.62	6.00	N	70.76	37	26.18		144
45	Passaic, N. J.[m]	62,959	82,436,259	88	12	Jan. 1	Feb. 1	4	21.71	15.56	8.17	3.06	48.50	100	48.50		145
46	Terre Haute, Ind.	62,810	Not reported														146
47	Glendale, Calif.[55]	62,736	61,111,475	—	—	July 1	Nov. 1	2	12.90	22.79	17.16	N	52.85	50	26.43		147
48	Charleston, S. C.	62,265	17,292,126	67	33	Jan. 1	Jan. 1	—	62.00	27.00	15.00	N	104.00	25	26.00		148
49	Wheeling, W. Va.[56]	61,659	112,042,575	54	46	July 1	Oct. 1	2	5.03	6.06	4.11	.72	15.92	70	11.14	note[x]	149
50	Mount Vernon, N. Y.[n]	61,499	151,143,840	100	—	Jan. 1	Jan. 1	2	13.79	13.02	7.60	.19	34.60	85	29.41		150
51	Davenport, Iowa	60,751	56,618,492	92	8	Apr. 1	Sept. 1	1	16.00	16.61	10.58	2.27	45.46	60	27.28	2,500[f]	151
52	Charleston, W. Va.	60,408	Not reported														152
153	Augusta, Ga.	60,342	45,753,458	67	33	Jan. 1	Apr. 1	3	20.00	14.00	9.00	5.00	48.00	57§	27.33	2,000[d]	153
54	Lancaster, Pa.[r]	59,949	90,074,750	100	—	Jan. 1	May 1	1	6.00	10.50	2.25	N	18.75	100	18.75		154
55	Medford, Mass.	59,714	Not reported														155
56	Hoboken, N. J.	59,261	Not reported														156

[53] **Oak Park.** City rate includes $6.70 sanitary district, $3.00 poor relief, $2.50 park, .40 town and $.40 driveway rates. County rate includes $.90 forest preserve and .50 mosquito abatement rates.

[54] **Evanston.** City rate includes $3.10 town and $8.34 combined sanitary district, mosquito abatement and forest preserve rate.

[55] **Glendale.** There are three taxing districts with rates of $58.85, $52.85, and $52.85. The rates of districts No. 2 and No. 3 are shown.

[56] **Wheeling.** There are ten tax districts, but since 70% of the assessed value is in Old Town, its rates are shown here. Rates shown are average of rates on Class I, II, and IV property.

		Census 1930	Assessed Value	Per Cent		City Fiscal Year Begins	Date City Taxes (or 1st Install-ment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation					Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assess-ment	Amount of Home-stead Ex-emption	
				Realty	Person-alty				City	School	County	State	Total				
157	Chester, Pa.[r]	59,164	54,788,326	100	—	Jan. 1	Mar. 1	—	11.50	13.00	4.95	N	29.45	90	26.51		157
158	Union City, N. J.[57]	58,659	64,077,987	95	5	Jan. 1	Feb. 1	4	22.40	12.82	9.28	2.84	47.34	100	47.34		158
159	Malden, Mass.[l]	58,036	68,800,125	92	8	Jan. 1	July 1	—	—	—	—	—	41.60	100	41.60		159
160	Madison, Wis.	57,899	127,465,165	90	10	Jan. 1	Jan. 1	7	6.90	11.84	7.55	.21	26.50	95	25.18		160
161	Bethlehem, Pa.[58]	57,892	62,201,849	92	8	Jan. 1	Mar. 1	4	12.00	16.00	9.00	N	37.00	61§	22.57		161
162	Beaumont, Tex.	57,732	57,300,000*	83	17	July 1	Oct. 1	4	17.80	7.70	10.30	7.70	43.50	65§	28.13	3,000[u]	162
163	San Jose, Calif.[59]	57,651	57,496,310	90	10	Dec. 1	Nov. 1	2	13.00	16.39	15.24	N	44.63	50	22.31		163
164	Springfield, Mo.	57,527	39,397,795	—	—	Jan. 1	Sept. 1	1	17.50	14.60	5.50	1.50	39.10	60	23.46		164
165	Decatur, Ill.	57,510	Not reported														165
166	Irvington, N. J.	56,733	Not reported														166
167	Holyoke, Mass.[35]	56,537	73,135,280	96	4	Jan. 1	July 1	2	27.81	—	1.24	4.55	33.60	100	33.60		167
168	Hamtramck, Mich.[j]	56,268	71,033,262	69	31	July 1	July 15	2	19.20	10.50	5.99	N	35.69	77	27.48		168
169	Cedar Rapids, Iowa[60]	56,097	54,852,685	89	11	Apr. 1	Jan. 1	2	14.87	19.57	9.11	2.25	45.80	50	22.90	2,500[f]	169
170	York, Pa.[r]	55,254	48,762,610	100	—	Jan. 2	Mar. 1	1	10.50	18.00	6.00	N	34.50	60	20.70		170
171	Jackson, Mich.[j]	55,187	68,287,370	86	14	June 30	July 20	5	9.47	8.51	4.55	N	22.53	80	18.02		171
172	Kalamazoo, Mich.[j]	54,786	73,862,950	79	21	Jan. 1	July 1	12	9.26	10.74	5.20	N	25.20	100	25.20		172
173	East Chicago, Ind.[e]	54,784	83,920,485	100	—	Jan. 1	May 1	2	9.60	9.70	11.05	1.50	31.85	50	15.93		173
174	McKeesport, Pa.[r]	54,632	54,828,625	100	—	Jan. 1	Mar. 1	—	12.00	15.00	9.00	N	36.00	60	21.60		174
175	New Rochelle, N. Y.[n]	54,000	188,576,400	100	—	Jan. 1	Jan. 1	4	14.10	10.60	5.80	—	30.50	91	27.75		175
176	Macon, Ga.	53,829	38,000,000*	82	18	Jan. 1	Apr. 15	3	15.00	10.70	10.30	5.00	41.00	50	20.50	2,000[d]	176
177	Greensboro, N. C.	53,569	87,330,835	76	24	July 1	Nov. 1	1	12.30	2.20	7.50	N	22.00	75	16.50	note[o]	177
178	Austin, Tex.	53,120	60,412,425	82	18	Jan. 1	Jan. 1	1	16.50	6.00	8.60	4.90	36.00	60§	21.75	3,000[u]	178
179	Highland Park, Mich.[j]	52,959	79,509,867	81	29	July 1	July 1	2	14.40	11.60	5.53	N	31.53	100	31.53		179
180	Galveston, Tex.	52,938	Not reported														180
181	Waco, Tex.	52,848	47,125,760	72	28	Oct. 1	Oct. 1	12	17.50	7.00	6.30	7.70	38.50	—	—	3,000[u]	181
182	Fresno, Calif.	52,513	54,434,065	86	14	July 1	Oct. 1	2	17.60	16.10	9.90	N	43.60	50	21.80		182
183	Hamilton, Ohio[61]	52,176	65,729,095	84	16	Jan. 1	Apr. 1	2	7.62	6.61	2.27	N	16.50	70	11.55		183
184	Durham, N. C.	52,037	82,081,915	66	34	July 1	Oct. 2	1	12.55	3.15	6.00	N	21.70	75	16.28	note[o]	184
185	Columbia, S. C.	51,581	21,673,195	69	31	Jan. 1	Oct. 15	1	33.00	28.50	11.50	N	73.00	31§	22.65		185
186	Cleveland Hts., Ohio[p]	50,945	105,900,528	95	5	Jan. 1	—	2	4.05	14.80	4.85	N	23.70	60	14.22		186
187	Port Arthur, Tex.	50,902	27,513,710	—	—	July 1	Oct. 1	2	20.00	7.50	7.90	7.70	43.10	70	30.17	3,000[u]	187
188	Dearborn, Mich.[j]	50,358	192,316,500	61	39	July 1	July 1	4	14.27	10.15	5.55	N	29.97	100	29.97		188

[57] **Union City.** Union City is a consolidation of two towns, each with debt service obligations at the time of consolidation. The rate shown is for the Town of Union—the West Hoboken rate being $46.45. See footnote m.

[58] **Bethlehem.** Land is assessed at 100%, buildings at 60% of true value. Ratio shown is resultant.

[59] **San Jose.** Rate does not include a tax of $4.50 per $1,000 assessed value of land only, for water conservation.

[60] **Cedar Rapids.** 1939-40 assessed value, but 1938-39 rates are reported.

[61] **Hamilton.** City rate includes $3.66 for flood protection.

		Census 1930	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation City	School	County	State	Total	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
89	Kenosha, Wis.	50,262	68,841,460	91	9	Jan. 1	Jan. 1	1	5.88	14.89	9.41	.82	31.00	80	24.80		189
90	Asheville, N. C.	50,193	53,960,870	87	13	July 1	Oct. 1	1	15.30	3.30	10.40	N	29.00	70	20.30	note[o]	190
91	Pueblo, Colo.	50,096	26,422,841	68	32	Jan. 1	Jan. 1	2	27.00	18.02	12.80	4.50	62.32	70	43.62		191
	Group V **Population 30,000 to 50,000**																
92	Pittsfield, Mass.[35]	49,677	58,948,955	92	8	Jan. 1	July 1	2	28.10	—	1.71	4.59	34.40	100	34.40		192
93	Woonsocket, R. I.[35]	49,376	73,891,350	77	23	Jan. 1	Oct. 10	4	25.00	—	N	N	25.00	100	25.00		193
94	Haverhill, Mass.	48,710	50,366,725	88	12	Jan. 1	July 1	—	29.53	7.76	1.03	2.88	41.20	100	41.20		194
95	New Castle, Pa.[r]	48,674	49,054,960	95	5	Jan. 2	Jan. 2	—	11.50	18.00	6.00	4.00	39.50	91§	36.00		195
96	Everett, Mass.	48,424	71,859,650	87	13	Jan. 1	July 1	2	21.58	7.46	1.23	5.93	36.20	100	36.20		196
97	Jackson, Miss.	48,282	45,288,214	74	26	Oct. 1	Feb. 1	3	18.50	8.00	13.80	6.00	46.30	60	27.78	5,000[l]	197
98	Phoenix, Ariz.	48,118	71,000,000	—	—	July 1	Oct. 9	2	17.20	17.30	24.50	12.50	71.50	67	47.91		198
99	Stockton, Calif.[62]	47,963	64,626,875	—	—	Jan. 1	Feb. 1	10	18.60	12.66	18.80	N	50.06	50	25.03		199
00	Brookline, Mass.	47,490	161,571,200	92	8	Jan. 1	Oct. 1	2	15.45	4.35	.59	3.11	23.50	100	23.50		200
01	Elmira, N. Y.[n]	47,397	49,711,061	100	—	Jan. 1	May 15	2	29.10	9.32	7.51	—	45.93	70	32.15		201
02	Bay City, Mich.[j]	47,355	42,600,940	84	16	July 1	Aug. 1	1	17.24	9.27	7.43	N	33.94	80	27.15		202
03	Berwyn, Ill.[63]	47,027	20,341,683	91	9	Jan. 1	Apr. 1	2	28.20	39.90	6.90	N	75.00	37	27.75		203
04	Clifton, N. J.[m]	46,875	47,986,235	94	6	Jan. 1	Feb. 1	4	15.57	19.79	8.15	3.09	46.60	100	46.60		204
05	Aurora, Ill.[64]	46,589	27,398,228	79	21	Jan. 1	May 1	2	28.00	23.80	3.90	N	55.70	34	18.94		205
06	Muncie, Ind.	46,548	Not reported														206
07	Stamford, Conn.[65]	46,346	111,023,018	—	—	Nov. 6	Sept. 1	1	12.90	—	16.00	—	28.90	100	28.90		207
08	Waterloo, Iowa[66]	46,191	30,560,625	82	18	Apr. 1	Mar. 1	2	15.70	21.21	7.76	2.30	46.97	45	21.14	2,500[f]	208
09	Chelsea, Mass.	45,816	46,855,970	92	8	Jan. 1	July 1	2	29.97	9.10	N	5.33	44.40	100	44.40		209
10	Lexington, Ky.[g]	45,736	59,440,971	87	13	Jan. 1	June 30	2	18.00	7.80	5.00	1.09	31.89	88§	28.09		210
11	Williamsport, Pa.[r]	45,729	29,564,345	100	—	Jan. 1	Apr. 1	—	13.50	22.00	11.00	N	46.50	55§	25.70		211
12	Portsmouth, Va.[35]	45,704	32,427,635	90	10	Jan. 1	July 5	2	25.00	—	N	N	25.00	70	17.50		212
13	Jamestown, N. Y.[n]	45,155	56,898,543	100	—	Jan. 1	May 23	1	13.47	12.37	8.40	—	34.24	80	27.39		213
14	Lorain, Ohio[p]	44,512	73,215,130	86	14	Jan. 1	Dec. 1	2	5.83	6.17	2.34	N	14.34	100	14.34		214
15	Chicopee, Mass.	43,930	Not reported														215
16	Wichita Falls, Tex.	43,690	Not reported														216
17	Battle Creek, Mich.[j]	43,573	60,589,800	78	22	July 1	July 10	1	9.80	6.60	3.30	N	19.70	100	19.70		217
18	Perth Amboy, N. J.[m]	43,516	45,758,124	89	11	Jan. 1	Feb. 1	4	24.58	16.72	12.38	3.12	56.80	50	28.40		218

[62] **Stockton.** County rate includes $2.71 port and $1.00 health district rates.

[63] **Berwyn.** School rate is for District No. 98. District No. 100 has a school rate of 40.01. City rate includes $6.70 sanitary district, $1.40 health, $1.10 township, and $3.00 ownship poor relief rates.

[64] **Aurora.** City rate includes $4.10 sanitary district, $2.50 road and bridge, and 4.00 township rates.

[65] **Stamford.** City is composed of two taxing districts. District No. 1 city rate of $12.90 is shown here. District No. 3 city rate is $10.70. School rate included in city rate.

[66] **Waterloo.** Assessed value does not include $6,462,346 moneys and credits taxed at 6 mills or $484,941 buildings and loans taxed at 2 mills. East Side rate is shown. West Side rate is $50.46 ($22.71, adjusted).

		Census 1930	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation City	School	County	State	Total	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
219	Salem, Mass.	43,353	54,434,300	89	11	Jan. 1	Oct. 1	10	16.29	9.82	2.89	4.50	33.50	100	33.50		219
220	Amarillo, Tex.	43,132	54,707,955	76	24	Apr. 16	Oct. 1	2	12.30	9.40	6.20	7.70	35.60	59§	20.91	3,000[n]	220
221	Columbus, Ga.	43,131	39,589,599	73	27	Jan. 1	Aug. 1	—	13.00	6.00	8.00	5.00	32.00	60§	19.20	2,000[d]	221
222	Joliet, Ill.[67]	42,993	23,136,309	80	20	Jan. 1	Jan. 1	2	25.70	34.90	8.40	N	69.00	30	20.70		222
223	Cranston, R. I.[a]	42,911	74,888,300	79	21	Oct. 1	Oct. 11	4	23.00	—	N	N	23.00	90	20.70		223
224	Portsmouth, Ohio	42,560	Not reported														224
225	Lima, Ohio	42,287	Not reported														225
226	Council Bluffs, Iowa	42,048	Not reported														226
227	Montclair, N. J.	42,017	Not reported														227
228	Dubuque, Iowa[68]	41,679	33,362,735	79	21	Apr. 1	Mar. 1	2	19.29	16.82	8.01	2.28	46.40	60	27.84	2,500[f]	228
229	Muskegon, Mich.[j]	41,390	50,466,500	81	19	Jan. 1	Dec. 1	1	8.79	10.65	4.20	N	23.64	100	23.64		229
230	Warren, Ohio[p]	41,062	55,054,483	81	19	Jan. 1	Dec. 20	2	5.90	8.60	3.70	N	18.20	80	14.56		230
231	Kearny, N. J.	40,716	Not reported														231
232	Fitchburg, Mass.	40,692	47,656,475	85	15	Jan. 1	July 1	2	24.46	11.74	1.66	4.54	42.40	100	42.40		232
233	Lynchburg, Va.	40,661	41,151,345	92	8	Jan. 1	July 1	3	12.00	11.50	N	N	23.50	70	16.45		233
234	St. Peterburg, Fla.[69]	40,425	77,505,670	92	8	Oct. 1	Oct. 1	1	23.50	25.00	55.75	4.88	109.13	32§	34.76	5,000[c]	234
235	Poughkeepsie, N. Y.[n]	40,288	52,403,424	100	—	Jan. 1	Jan. 15	4	25.43	8.62	5.80	—	39.85	70	27.90		235
236	Ogden, Utah	40,272	Not reported														236
37	Oshkosh, Wis.	40,108	42,559,625	88	12	Jan. 1	Jan. 1	2	12.86*	15.19*	5.70*	.65*	34.40	90	30.96		237
38	Anderson, Ind.	39,804	Not reported														238
39	East Cleveland, Ohio[p]	39,667	53,971,764	88	12	Jan. 1	Dec. 20	2	7.05	14.50	4.85	N	26.40	65	17.16		239
40	La Crosse, Wis.	39,614	50,631,733	88	12	Jan. 1	Jan. 1	3	6.57	11.49	14.70	.24	33.00	87	28.71		240
41	Butte, Mont.[70]	39,532	51,112,870	56	44	July 1	Nov. 30	2	39.40	32.00	26.47	5.50	103.37	30	31.01		241
42	Sheboygan, Wis.	39,251	49,507,595	92	8	Jan. 1	Jan. 31	7	17.25	10.65	5.61	.24	33.75	84	28.35		242
43	Waltham, Mass.[l]	39,247	50,867,400	92	8	Jan. 1	Oct. 1	2	—	—	—	—	36.40	100	36.40		243
44	Quincy, Ill.[71]	39,241	33,698,310	67	33	May 1	Jan. 1	2	16.40	15.00	4.10	N	35.50	50	17.75		244
45	Meriden, Conn.	38,481	59,457,095	83	17	Jan. 1	Apr. 5	2	14.20	11.80	.40	.60	27.00	100	27.00		245
46	Bloomfield, N. J.[m]	38,077	68,704,237	89	11	Jan. 1	Feb. 1	4	14.15	13.71	6.32	3.22	37.40	100	37.40		246
47	Rock Island, Ill.	37,953	Not reported														247
48	Cumberland, Md.	37,747	46,169,693	86	14	Apr. 1	July 18	1	11.00	6.50	9.50	2.34	29.34	80	23.47		248
49	San Bernardino, Calif.	37,481	27,459,785	—	—	July 1	Nov. 1	2	12.46	15.50	15.50	N	43.46	50	21.73		249

[67] **Joliet.** City rate includes $5.50 township, $3.30 road and bridge, and $3.90 park listrict rates. County rate includes $.30 forest preserve rate.

[68] **Dubuque.** Assessed value does not include $7,803,025 moneys and credits taxed t 6 mills.

[69] **St. Petersburg.** City rate shown is average of rates of the 4 tax zones.

[70] **Butte.** In Montana, property is assessed at full cash value, but the taxable value of various types of property is only a fraction of the assessed value. Household goods, autos, trucks, etc., have a taxable value of 20% of the assessed value; real estate, 30%; live stock, merchandise, furniture and fixtures, 33 1-3%; moneys, stocks and bonds, 7%; net proceeds of mines 100%. The total taxable value is approximately 30% of the assessed value and this is the figure shown in the assessment ratio column.

[71] **Quincy.** City rate includes $3.30 town, $1.00 health, and $.30 sewer rates.

		Census 1930	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation City	School	County	State	Total	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
50	Green Bay, Wis.[72]	37,415	53,114,100	90	10	Jan. 1	Jan. 1	1	11.25	14.25	6.25	.25	32.00	81	25.92		250
51	Raleigh, N. C.	37,379	Not reported														251
52	Taunton, Mass.	37,355	Not reported														252
53	Santa Monica, Calif.[73]	37,146	46,371,950	83	17	July 1	Nov. 1	2	19.50	15.76	21.36	N	56.62	50	28.31		253
54	West New York, N. J.[m]	37,107	41,752,674	90	10	Jan. 1	Feb. 1	4	17.08	19.32	9.24	2.93	48.57	60	29.14		254
55	Hazleton, Pa.[r]	36,765	29,430,727	92	8	Jan. 1	Apr. 1	—	14.50	26.00	12.20	N	52.70	55§	28.79		255
56	Danville, Ill.[74]	36,765	20,818,338	74	26	May 1	Apr. 1	2	28.60	22.90	4.50	N	56.00	43	24.08		256
57	High Point, N. C.	36,745	Not reported														257
58	Auburn, N. Y.[n]	36,652	51,518,720	100	—	July 1	July 1	2	14.36	5.95	4.30	—	24.61	100	24.61		258
59	Zanesville, Ohio	36,440	Not reported														259
60	Superior, Wis.	36,113	40,428,327	92	8	Oct. 1	Dec. 18	1	4.39	17.72	18.85	.24	41.20	85	35.02		260
61	Arlington, Mass.[1]	36,094	55,684,850	100	—	Jan. 1	July 1	10	—	—	—	—	36.80	100	36.80		261
62	Norwalk, Conn.[75]	36,019	69,710,000	99	1	Sept. 1	Oct. 1	2	—	—	—	—	24.00	80	19.20		262
63	Elgin, Ill.[76]	35,929	21,790,180	76	24	Jan. 1	Apr. 1	2	21.30	19.50	3.90	N	44.70	34	15.20		263
64	Norristown, Pa.[r]	35,853	22,983,435	100	—	Jan. 1	June 1	1	15.00	25.00	2.50	N	42.50	50	21.25		264
65	White Plains, N. Y.[n]	35,830	145,006,733	100	—	Jan. 1	Jan. 2	2	13.75	10.69	5.13	—	29.57	90	26.61		265
66	Revere, Mass.	35,680	Not reported														266
67	Steubenville, Ohio[p]	35,422	53,584,000	92	8	Jan. 1	Dec. 20	2	4.50	7.40	2.40	N	14.30	80	11.44		267
68	Orange, N. J.[m]	35,399	44,144,560	94	6	Jan. 1	Feb. 1	4	20.25	11.55	6.36	3.24	41.40	100	41.40		268
69	Alameda, Calif.[35]	35,033	30,038,350	94	6	July 1	Nov. 1	2	16.80	—	34.80	N	51.60	53§	27.48		269
70	Lewiston, Me.[77]	34,948	31,674,510	86	14	Mar. 1	Aug. 28	1	—	—	—	—	38.33	50	19.17		270
71	Watertown, Mass.[1]	34,913	51,026,270	94	6	Jan. 1	Nov. 1	1	—	—	—	—	35.00	100	35.00		271
72	Amsterdam, N. Y.[n]	34,817	27,011,640	100	—	Jan. 1	June 29	—	21.97	23.90	14.39	N	60.26	55	33.15		272
73	West Allis, Wis.[78]	34,671	56,343,225	80	20	Jan. 1	Jan. 1	—	12.77	14.31	11.19	.25	38.52	80	30.82		273
74	New Brunswick, N. J.[m]	34,555	41,166,738	93	7	Jan. 1	Feb. 1	4	22.40	11.70	12.40	3.10	49.60	70	34.72		274
75	Easton, Pa.[r]	34,468	42,790,480	100	—	Jan. 1	Jan. 1	4	12.00	14.50	9.50	N	36.00	92§	33.15		275
76	Plainfield, N. J.[m]	34,422	59,405,194	90	10	Jan. 1	Feb. 1	4	14.53	16.63	7.74	3.20	42.10	90	37.89		276
77	Newport News, Va.	34,417	35,205,478	85	15	Jan. 1	Dec. 5	1	16.04	14.10	N	N	30.14	50	15.07		277
78	Santa Barbara, Calif.	33,613	46,840,220	—	—	July 1	Nov. 1	2	14.40	13.40	13.60	N	41.40	53§	22.14		278
79	Paducah, Ky.	33,541	Not reported														279
80	Mansfield, Ohio[p]	33,525	54,293,180	78	22	Jan. 1	Dec. 20	2	5.00	7.40	2.60	N	15.00	90	13.50		280

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[72] **Green Bay.** City rate includes $1.75 metropolitan sewerage district rate.

[73] **Santa Monica.** County rate includes $4.20 metropolitan water and $2.19 flood control ates.

[74] **Danville.** City rate includes $2.80 road and bridge, $7.80 township, and $2.50 anitary district rates.

[75] **Norwalk.** City is composed of 5 tax districts. Rate shown applies to districts 2, 3, and 6. Other districts have rates of $26.30 and $17.70.

[76] **Elgin.** City rate includes $5.80 township and $4.40 sanitary district rates.

[77] **Lewiston.** Special rate of 3 2-3 mills set to take care of extra month in the 1939-40 fiscal year. Change of fiscal year from March 1 to April 1 gives 13 months.

[78] **West Allis.** City rate includes $3.60 for retirement of metropolitan sewer debt.

		Census 1930	Assessed Value	Per Cent Realty	Per Cent Personalty	City Fiscal Year Begins	Date City Taxes (or 1st Installment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation City	School	County	State	Total	Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assessment	Amount of Homestead Exemption	
281	Joplin, Mo.[79]	33,454	22,702,444	70	30	Jan. 1	Sept. 1	1	16.00	17.50	6.50	1.50	41.50	50	20.75		281
282	Waukegan, Ill.[80]	33,499	16,751,353	72	28	May 1	June 1	2	30.70	39.00	5.00	N	74.70	25	18.68		282
283	Norwood, Ohio	33,411	Not reported														283
284	Sioux Falls, S. Dak.	33,362	42,331,777	84	16	Jan. 1	Jan. 1	2	15.73	16.66	5.13	2.00	39.52	70	27.66	note[t]	284
285	Colorado Springs, Colo.	33,237	28,228,830	77	23	Jan. 1	Mar. 1	2	13.50	23.07	7.47	4.50	48.54	75	36.41		285
286	Elkhart, Ind.[e]	32,949	38,133,309	71	29	Jan. 1	May 1	2	9.80	9.90	8.50	1.50	29.70	60	17.82		286
287	Kokomo, Ind.[81]	32,843	28,534,920	64	36	Jan. 1	Jan. 1	2	12.30	12.10	12.50	1.50	38.40	100	38.40		287
288	Laredo, Tex.	32,618	16,240,265	—	—	May 1	Nov. 1	—	16.65	7.65	8.50	7.70	40.50	56§	22.68	3,000[u]	288
289	Tucson, Ariz.	32,506	24,235,105	90	10	July 1	Sept. 1	2	23.87	13.68	14.21	12.50	64.26	55	35.34		289
290	Richmond, Ind.[e]	32,493	32,711,515	74	26	Jan. 1	May 1	2	11.65	12.50	4.95	1.50	30.60	70	21.42		290
291	Rome, N. Y.	32,338	Not reported														291
292	Wilmington, N. C.	32,270	35,893,545	85	15	June 30	Oct. 1	1	14.00	4.09	3.91	N	22.00	85	18.70	note[o]	292
293	Moline, Ill.	32,236	22,247,138	73	27	Apr. 1	Apr. 15	2	15.20	26.30	6.80	N	48.30	33	15.94		293
294	Watertown, N. Y.[n]	32,205	46,552,035	100	—	July 1	July 1	1	15.30	11.20	8.40	—	34.90	90	31.41		294
295	Muskogee, Okla.	32,026	Not reported														295
296	Meridian, Miss.	31,954	22,942,049	69	31	Oct. 1	Feb. 1	3	17.50	10.50	13.70	6.00	47.70	75	35.78	5,000[i]	296
297	Pensacola, Fla.	31,579	26,422,599	78	22	Sept. 1	Oct. 1	10	21.00	16.00	32.00	4.88	73.88	64§	47.44	5,000[c]	297
298	Nashua, N. H.[82]	31,463	37,863,415	68	32	Jan. 1	Dec. 1	—	27.45	—	9.15	—	36.60	90	32.94		298
299	Fort Smith, Ark.	31,429	16,381,463	65	35	Jan. 1	Apr. 10	3	6.30	18.00	9.00	9.00	42.30	25	10.58	1,000[b]	299
300	Port Huron, Mich.[j]	31,361	33,009,115	88	12	May 1	July 1	1	14.94	9.49	7.75	N	32.18	100	32.18		300
301	Newburgh, N. Y.[83]	31,275	39,599,190	—	—	Jan. 1	Apr. 1	1	15.16	10.50	12.97	—	38.63	86	33.22		301
302	Marion, Ohio[p]	31,084	32,989,110	79	21	Jan. 1	Dec. 20	2	7.56	8.54	2.90	N	19.00	100	19.00		302
303	Bloomington, Ill.[84]	30,930	19,248,257	—	—	May 1	June 1	2	23.10	18.10	5.10	N	46.30	39	18.06		303
304	Hagerstown, Md.	30,861	40,400,000	82	18	Apr. 1	June 1	1	8.50	7.50	4.50	2.34	22.84	100	22.84		304
305	Bellingham, Wash.[85]	30,823	13,670,489	76	24	Jan. 1	Mar. 1	2	21.39	10.00	15.96	2.39	49.74	50	24.87		305
306	Baton Rouge, La.	30,729	Not reported														306
307	Newark, Ohio	30,596	Not reported														307
308	Everett, Wash.	30,567	14,792,827	71	29	Jan. 1	Feb. 15	2	27.00	12.50	11.56	3.44	54.50	44	23.98		308
309	Santa Ana, Calif.[86]	30,322	24,448,385	—	—	July 1	Nov. 1	2	15.90	20.40	15.40	N	51.70	50	25.85		309
310	Alton, Ill.[87]	30,151	16,268,104	73	27	Apr. 1	June 1	2	19.40	22.50	6.30	N	48.20	50	24.10		310

[79] **Joplin.** County rate includes $2.50 road and $.50 special county bond rates.

[80] **Waukegan.** City rate includes $4.50 park, $2.20 sanitary district, and $8.20 township rates.

[81] **Kokomo.** County rate includes township and poor relief rates totaling $7.40.

[82] **Nashua.** School rate included in city; state rate included in county.

[83] **Newburgh.** County rate includes state rate and $10.00 welfare rate.

[84] **Bloomington.** City rate includes $4.10 town rate.

[85] **Bellingham.** County rate includes $2.74 road, $2.97 port, and $.22 public utility district rates.

[86] **Santa Ana.** County rate includes $4.00 metropolitan water district and $2.20 flood control.

[87] **Alton.** City rate includes $4.00 town rate.

		Population	Assessed Value	Per Cent		City Fiscal Year Begins	Date City Taxes (or 1st Install-ment) Are Due	No. of Payments City Taxes	Actual Tax Rate as Levied Per $1,000 of Assessed Valuation				Estimated Ratio of Assessed Value to True Value (Per Cent)	Adjusted Tax Rate on 100% Basis of Assess-ment	
				Realty	Person-alty				City	School	Province	Total			
	Canadian Cities														
1	Montreal, Que.[88]	818,577	921,699,954	100	—	May 1	Oct. 1	1	17.02	12.00	N	29.02	100	29.02	1
2	Toronto, Ont.[89]	626,674	967,167,858	100	—	Jan. 1	Apr. 14	3	23.80	11.45	N	35.25	100	35.25	2
3	Vancouver, B. C.[90]	246,593	209,853,641	100	—	Jan. 1	Jan. 1	1	34.40	15.24	N	49.64	70	34.75	3
4	Winnipeg, Man.[91]	218,785	179,326,323	100	—	Jan. 1	May 1	—	17.23	18.01	1.26	36.50	76	27.74	4
5	Hamilton, Ont.[92]	153,507	164,799,650	100	—	Jan. 1	Apr. 1	4	23.70	13.30	N	37.00	100	37.00	5
6	Quebec, Que.[93]	130,594	122,329,773	100	—	May 1	July 1	—	26.20	11.00	N	37.20	80	29.76	6
7	Ottawa, Ont.[94]	126,872	156,180,803	100	—	Jan. 1	June 18	2	27.20	11.30	N	38.50	100	38.50	7
8	Windsor, Ont.[95]	104,007	94,567,450	100	—	Jan. 1	May 1	5	22.68	15.82	N	38.50	100	38.50	8
9	Edmonton, Alta.	90,419	Not reported												9
10	Calgary, Alta.[96]	85,726	55,439,912	100	—	Jan. 1	June 21	—	23.07	24.43	N	47.50	63	29.93	10
11	London, Ont.[95]	71,148	82,827,521	100	—	Jan. 1	June 19	3	23.46	14.94	N	38.40	91	34.94	11
12	Verdun, Que.[95]	60,745	46,360,475	100	—	Jan. 1	Jan. 1	1	15.00	10.00	N	25.00	80	20.00	12
13	Halifax, N. S.[95]	59,275	60,386,710	100	—	May 1	May 1	2	24.90	11.40	.90	37.20	100	37.20	13
14	Regina, Sask.[97]	53,209	40,943,565	100	—	Jan. 1	June 30	2	27.44	20.40	2.16	50.00	65	32.50	14
15	St. John, N. B.	47,514	45,938,850	100	—	Jan. 1	Apr. 18	7	12.60	15.00	12.60	40.20	80	32.16	15
16	Saskatoon, Sask.	43,291	Not reported												16
17	Victoria, B. C.[98]	39,082	44,289,278	100	—	Jan. 1	Aug. 15	—	29.40	11.60	N	41.00	76	31.16	17
18	Three Rivers, Que.	35,450	Not reported												18

[88] **Montreal.** Neutral school rate shown. Catholic rate is $7.00 and Protestant is 10.00.

[89] **Toronto.** Assessed value includes $71,655,699 taxed for school purposes only and lso 11.9% business and income. Public school rate shown (separate school rate s $15.40).

[90] **Vancouver.** Land is assessed at 100%, improvements at 50% of true value.

[91] **Winnepeg.** Assessed value includes 5.2% business tax assessments taxed at arious rates ranging from 6% to 20%.

[92] **Hamilton.** Public school rate shown. Rates were reduced by $1.50 due to Provincial subsidy.

[93] **Quebec.** Neutral school rate shown. Catholic rate is $10.50 and Protestant, $12.00.

[94] **Ottawa.** Assessed value includes 10% business and income. Public school rate hown.

[95] **Windsor, London, Verdun, Halifax.** Assessed value includes 12% business and ncome in Windsor, 10% in London, 11% in Verdun, 18% in Halifax.

[96] **Calgary.** Assessed value includes 3% franchises. Rate shown does not include .4033 mills levied on land only for provincial government social services.

[97] **Regina.** Public school rate is shown. Separate school rate is $27.50.

[98] **Victoria.** Taxes assessed on 100% of assessed value of land and 65% of improve-nents.

GENERAL NOTES

[a] **Alabama.** The legal basis of assessment is 60 per cent of true value. The rates hown are actual rates. *Homestead Exemption:* First $2,000 of assessed value of homesteads exempt from state tax only.

[b] **Arkansas.** *Homestead Exemption:* First $1,000 of assessed value of homesteads exempt from state tax only.

[c] **Florida.** *Homestead Exemption:* The first $5,000 of the assessed value of homesteads is exempt from state and all local taxes except debt service on obligations incurred prior to the passage of the amendment.

[d] **Georgia.** Intangibles are assessed at 100% of true value and taxed at 3 mills by state only. *Homestead Exemption:* First $2,000 of assessed value of homesteads exempt from state, county and school district rates except for debt service on debt incurred previous to act.

[e] **Indiana.** County tax rate includes township rate.

[f] **Iowa.** *Homestead Exemption:* Amount of homestead exemption is determined by the Board of Assessment and Review each year. The maximum exemption is 25 mills on the first $2,500 of assessed values or $62.50 which was allowed in 1939. This applies to the state and all local units of government.

[g] **Kentucky.** State rate shown in Kentucky cities is the average of the 50 cent rate on realty and the $5.00 rate on personalty weighted according to ratios of personal and real property to total valuation.

[h] **Louisiana.** *Homestead Exemption:* Applies to state and parish taxes only, except that New Orleans (no other city) may also exempt homesteads from city taxes. Maximum exemption is $2,000 of assessed value, although only $1,000 has been exempt to date. New homes are exempt from all state and local levies for three years following their completion.

[i] **Massachusetts.** In many cities the division of the total rate into city, school, county, and state purposes is not available and only the total rate is shown.

[j] **Michigan.** County rates shown were fixed to cover fiscal year starting December 1, 1938. The new rates are not fixed in time for inclusion in this report.

[k] **Minnesota.** *Property Classification:* There are 5 classes of property assessed at varying percentages of true value: platted real estate at 40%, except the first $4,000 of homesteads which is assessed at 25%; unplatted real estate at 33 1-3% except first $4,000 of homesteads at 20%; iron ore at 50%; and personalty in 3 classes at 10%, 25%, and 33 1-3%. The first $4,000 of true value of homesteads is exempt further from state tax levies except debt service on obligations issued prior to the enactment of the law. Homesteads comprise $155,422,000 of the assessed value in Minneapolis, $99,759,112 in St. Paul, and $26,628,504 in Duluth. Assessments average 35.7% of true value in Minneapolis, 35.2% in St. Paul, and 34.5% in Duluth. Tax rates shown are actual rates.

[l] **Mississippi.** *Homestead Exemption:* First $5,000 of assessed value exempt from state taxes and levies for maintenance and current expenses of counties, cities, school districts and road districts.

[m] **New Jersey.** The State levies a school tax which is distributed back to the school districts. To conform with the method of reporting used in the past this school tax is included in the state rate, although it might justifiably be added to the school rate. The amounts are as follows: Newark, $2.75; Jersey City, $2.85; Bayonne, $2.67; East Orange and Bloomfield, $3.00; and West New York, $2.65. In other New Jersey cities this item was not segregated from other state rates.

[n] **New York.** Realty valuations include public utilities. Where state rate is not shown it is included in county rate.

[o] **North Carolina.** *Homestead Exemption:* Authorized but enabling legislation not yet enacted.

[p] **Ohio.** Realty assessment includes public utility valuations.

[q] **Oklahoma.** *Homestead Exemption:* The first $1,000 of the assessed value of homesteads is exempt from tax rates for all units. Debt service charges on obligations incurred prior to this act are specifically allowed.

[r] **Pennsylvania.** Tangible personal property is not subject to city rate except as noted. Intangible personal property—not included in assessments—is subject to a 4 mill state and a 4 mill county rate.

[s] **Rhode Island.** There is no county government in Rhode Island. State does not tax real property.

[t] **South Dakota.** *Homestead Exemption:* Homesteads are exempt from state tax levies only.

[u] **Texas.** *Homestead Exemption:* First $3,000 of assessed value of homesteads is exempt from state taxes only.

[v] **Utah.** *Homestead Exemption:* Authorized but not effective.

[w] **Washington.** Legal basis of assessment is 50% of true value.

[x] **West Virginia.** *Property Classification:* Property in cities is divided into three classes: Class I property (intangible personal property) pays ¼ of full rate. Class II (property occupied by the owner as a residence) pays ½ the full rate. Class IV (all real and personal property not in Class I or II) pays the full rate. *Homestead Exemption:* Homesteads may be taxed at not more than 1% of assessed value.

Contributors in Review

CIVIC-MINDED in an all-around fashion, **Harold S. Buttenheim** (*Planning Needs the Man in the Street*) belongs to an astonishing variety of organizations dealing in a constructive way with public problems. The editor of *The American City Magazine* is active in the Tax Policy League, American Planning and Civic Association, American Society of Planning Officials, Citizens' Housing Council of New York, Housing Section of the Welfare Council of New York, National Municipal League, National Safety Council, New Jersey League of Municipalities, Zoning Board of Adjustment of Madison (New Jersey), National Child Welfare Association, Franklin Society for Home Building and Savings, New Jersey Housing League, and American City Planning Institute.

Clarence Addison Dykstra (*We Thought the Battle Won!*) has made many names for himself, as professor of political science, civic leader, public official, and university president, but the people of Cincinnati, Ohio, will probably remember him most vividly as the city manager who carried the city solvently and good-humoredly through the worst flood in its history. President Dykstra—he is currently president of the University of Wisconsin and of the National Municipal League—was born in 1883 in Cleveland, Ohio, and became president of both the League and the University in 1937.

VIA banking, social work, college teaching, and municipal research, **Frederick P. Gruenberg** (*The Frontier Is the State*) became in December 1938 the executive secretary of the City Charter Committee of Philadelphia. This committee conducted a campaign for a city manager charter for Philadelphia which created such an exciting conflict in the state legislature that nation-wide attention was attracted. In 1937 and 1938, Mr. Gruenberg conducted a study of the governmental research movement for the Social Science Research Council, the report on which was one of the factors precipitating the binary fission of the G. R. A. a few months ago.

ONE of the few women in what is usually considered a man's profession, **Rosina Mohaupt** (*Comparative Tax Rates of 287 Cities—1939*) occupies the position of statistician in one of the chief citadels of the municipal research movement, the Detroit Bureau of Governmental Research. A graduate of Wayne University in 1932, Miss Mohaupt has been an instructor at that university, as well as co-author of *The English System for the Taxation of Real Property on an Income Basis,* and *The Exemption of Homesteads from Taxation,* both published by the bureau. Her tax and debt studies are a semi-annual institution in the REVIEW.

A CO-SPONSOR and fellow-campaigner with Senator George W. Norris for a one-house legislative body for his state, **John P. Senning** (*One House, Two Sessions*) recently published a book giving an account of the fight. Dr. Senning is a member of the Department of Political Science of the University of Nebraska, has conducted state-wide conferences on problems of local government, and has supervised surveys of political education in the secondary schools of Nebraska.

THE man who makes decennial investigations of the forces which really propose the laws in Ohio (see the October issue of the REVIEW), **Harvey Walker** (*Legislative Councils—An Appraisal*), has a long standing interest in and knowledge of the legislative process. Dr. Walker is the author of four books, has had a long history of governmental service, and now is professor of political science at Ohio State University. His latest book is on *Public Administration in the United States.*

The Researcher's Digest: December

Manager plan for New Orleans schools; research bureaus investigate voting trends; Kansas City bureau takes a poll; and other miscellany in the domain of the research bureaus.

AFTER having donated gratis the services of its staff to a thorough-going survey of the New Orleans school system, in which major groups in the community cooperated, the **New Orleans Bureau of Governmental Research** has prepared a series of bulletins outlining the findings of the survey. They are published in advance of the survey report itself, which will appear in somewhat more technical form than these capsule reports for the layman.

Headed by Dr. Alonzo G. Grace, Connecticut commissioner of education, the expert staff employed by the Citizens Planning Committee for Public Education has come to some interesting conclusions regarding New Orleans' vast educational enterprise (annual budget, excluding debt service, $4,600,000; annual enrollment, 60,000-65,000; more than one hundred school buildings; two thousand teachers). Something very much like the council-manager plan is recommended. To be sure, the schools had the council-manager plan long before cities turned to it, but the New Orleans surveyors are recommending changes in the city system which would bring it closer to the "pure" manager form.

They propose that the superintendent of schools, to be chosen by the school board, shall have supervision over all phases of the schools' work, without exception, including personnel, curriculum, research, social services, buildings, maintenance, and finance. Four assistant superintendents would be in charge of business administration, white schools, colored schools, and instruction, respectively.

A merger of finance and plant is called for, with a director of finance and a director of school buildings each operating under the assistant superintendent in charge of business administration. The assistant superintendent in charge of instruction would head up four subdivisions, each under a director: supervision and curriculum, special services, research, and personnel. A new feature would be a personnel advisory committee composed of laymen, to serve the superintendent and board as a buffer between them and special pressures, and to advise the personnel director.

A detailed study was made of curriculum, plant, finances, research, social services, personnel, and all other aspects of the job of public education. The first of the explanatory bulletins was published on October 22; number five appeared on November 19, and more are to come.

More Voters

Since 1920 there has been a marked upward trend in the percentage of Philadelphians who vote in the fall elections, the **Philadelphia Bureau of Municipal Research** announces in *Citizens' Business* for November 7. The bureau compared voting figures with the total population in each year from 1920 to 1938, examining separately national, state, county, and mayoralty elections. The percentage of voters in the national elections increased 22.2 per cent in the period under consideration; increased 23.1 per cent in state elections; and increased slightly over 18 per cent in both county and mayoralty elections. Three probable causes for these increases were found: (1) greater incentive to vote because of the more nearly equal strength of the two political parties; (2) increased proportion of potential voters due to the aging of the population; and (3) reduction in the proportion of aliens.

The **Rochester (N.Y.) bureau** reports the results of a similar study in its October bulletin. It found that the voters paid more attention to the election of state assemblymen in years when presidential electors were being chosen, while gubernatorial elections, on the other hand, seemed to have little or no effect on local candidates. The bureau's figures show greater voter interest in the governor of the state than in the president of the United States, but more concern over the governor than over the legislature of the state. Interest in city government elections is higher than in state elections.

Public Purse in Print

On March 27 the **Cincinnati Bureau of Governmental Research** entered the ranks of those bureaus who resort regularly to print to tell their subscribers what's going on at home. *The Public Purse* has appeared in nine issues, roughly once a month, treating chiefly of city and county financial matters.

Kansas City Speaks

"The People Want a Trained Manager!" That is what the **Kansas City Civic Research Institute** found (bulletin of November 23) in a public opinion poll which it conducted on the single question: "Which do you believe Kansas City should get for a city manager—a local business man or one of the best city managers in the country?" After sampling all sections, classes, and employments in the city by the "involuntary" polling method, over a two-weeks period, the bureau brings forth the following answers: 37.4 per cent favored a local business man; 43.7 per cent favored a trained city manager from outside; 18.9 per cent were non-committal. Most of the men polled had an opinion to give, but nearly one-third of the women who were asked had nothing to say (thus giving the lie to the legend about feminine volubility).

It will be recalled that Kansas City is the locale of the operations of the now scattered Pendergast machine, which was blamed for removing both the letter and the spirit from Kansas City's manager plan charter. The city is now in process of choosing a new manager.

Laconic Research

The twenty-third annual report of the **Detroit Bureau of Governmental Research** is only ten words long. The rest of the four-page leaflet (8½ by 11) consists of photo-offset reproductions of newspaper clippings on the bureau's activities during 1938-39. The ten words actually written by the bureau are the following: "But many more bureau activities are not in the headlines." These words preface still another clipping, a reproduction of a newspaper column by W. K. Kelsey which relates, with kudos, the history of the bureau and indicates the nature of its non-headlined activities.

Researching for Peace

"In the midst of war, prepare for peace," warns the **Citizens' Research Institute of Canada** (October 28, 1939) and suits action to the words by presenting a program of public works and finance that will cushion the shock of the transition from a war-time to a peace-time basis.

98 Lunches Plus

By translating the city's bill to each citizen for government services into equivalent items of common consumption, the **Dayton Research Association** has utilized an interesting variation on the theme of "bringing home government" to the citizen. (Bulletin No. 70, November 24.) In 1938, for instance, the research association found, the average citizen's taxes would have bought 98 thirty-five-cent blue plate lunches, 202 gallons of seventeen-cent gasoline, 115 thirty-cent movie tickets, 230 packages of fifteen-cent cigarettes, and 1,145 issues of the local daily paper. In 1929 the Dayton tax bill was considerably heavier. It would have bought 159 lunches, 320 gallons of gasoline, 185 movie tickets, 370 packages of cigarettes, and 1,850 copies of the newspaper. Does this mean that in 1939 the consumption of these homely commodities has increased, now that the cost of government has dropped?

Research Bureau Reports Received

City Charter

Digest of the Proposed Charter for the City of Providence. (Charter approved by electorate November 7.) Providence Governmental Research Bureau. *Bulletin,* October 1939. 8 pp.

City Manager

The People Want a Trained Manager. Civic Research Institute. *Kansas City Public Affairs,* November 23, 1939. 4 pp.

Education

Planning for Our Schools. A series of bulletins, October 22 to November 19, 1939, on the New Orleans Public Schools, formulated for the Citizens Planning Committee by the Bureau of Governmental Research of New Orleans: (1) New Orleans Studies Its Schools, 6 pp.; (2) Directing the Public School System, 8 pp.; (3) Our Schoolhouses, 10 pp.; (4) The Teachers, 12 pp.; (5) Our School Children, 10 pp.

The Return on the School Dollar. New York State Bureau of Governmental Research, Schenectady. *Bulletin,* November 2, 1939. 3 pp.

Finance

Towards Greater Efficiency and Economy in the Baltimore Municipal Government. The Commission on Governmental Efficiency & Economy, Inc., Baltimore, Md., October 1939. 4 pp.

Cost of Government in N. Y. State Not Explained by Cost of Living. New York State Bureau of Governmental Research, Schenectady. *Bulletin,* November 9, 1939. 2 pp.

Voting

Upward Trend in Voting. Philadelphia Bureau of Municipal Research. *Citizens' Business,* November 7, 1939. 4 pp.

Does Rochester Vote? Rochester Bureau of Municipal Research, Inc. *Municipal Research,* October 1939. 1 p.

War

In the Midst of War Prepare for Peace. The Citizens' Research Institute of Canada. *Bulletin,* October 28, 1939. 2 pp.

News in Review

City, County, State Progress in Brief

Merit System for State Social Security Programs

Citizenship Day in Illinois; New Charter Movements; Frankfort, Kentucky, Tries Planning

By H. M. OLMSTED

Under the 1939 merit system amendment to the federal social security act each state agency receiving funds under that act must submit a personnel administration program measuring up to standards set by the Social Security Board. In determining the selection and compensation of state welfare employees and their job-tenure, however, the federal agency has no authority.

Minimum standards for personnel merit systems announced by the board will be checked with existing state civil service and state merit systems. In states lacking general merit system provisions, the minimum standards will be applied to all state social security jobs.

Sixteen states and the territory of Hawaii now apply state civil service laws to public welfare staffs, according to the American Public Welfare Association. The states are Alabama, California, Colorado, Connecticut, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, Ohio, Rhode Island, Tennessee, and Wisconsin. In addition, several states without civil service laws—such as Indiana, Arizona, and Montana—have joint agencies or departmental merit systems in use for welfare personnel.

The new regulations under the amendment prescribe in the main that:

1. Merit systems must be applicable to all personnel, both state and local, engaged in the administration of programs under various titles of the social security act.
2. States lacking adequate state civil service systems must establish merit systems to be administered by impartial bodies known as "merit system councils" whose members will be appointed by the administrative agencies or by the governor with the agencies' recommendations.
3. State merit-system regulations must bar employees from participating in political activities, and must not disqualify persons from taking examinations or holding office because of political or religious opinions.
4. State agencies will be required to establish and maintain classification and compensation plans for all positions, based upon the investigation and analysis of the duties of each position.

In connection with the state changes to meet provisions of the amendment, the American Public Welfare Association at its fourth annual round table conference in Washington, D. C., in December will schedule a review and discussion of problems involved in developing sound state merit systems for social security programs.

New Civil Service Periodicals

The Civil Service Assembly of the United States and Canada (1313 East 60th Street, Chicago) expects to begin publication in 1940 of a quarterly journal dealing with the administrative and technical phases of public personnel administration, to be known as the *Public Personnel Review*. This will be in addition to the present monthly *News Letter*. Both publications will be available free to individuals and public agencies that are members of the assembly and to others for a subscription price.

The New York City Civil Service Commission is instituting a new periodical, the *Public Personnel Quarterly*, which will publish original articles concerned with the practical phases of public personnel administration, and also digests of significant books, monographs, and magazine articles in that field, with the aid of a board of coöperating editors.

Indianapolis Considers Civil Service

According to an article by Richard Lewis in the *Indianapolis Times,* a civil service plan that would enable key employees of the city to continue in service despite changes in administration is being studied. "Consideration of the plan follows the disclosure that the Works Board did not know the city owned ten pieces of real estate which were deeded to the city in the previous administration. Board members were unanimous in blaming the blunder on a lack of continuity in the department."

Organized Recruitment by New York Civil Service Commission

The organization of a Bureau of Recruitment and Information to familiarize a larger number of well qualified persons with opportunities in municipal employment has been announced by the New York City Civil Service Commission. The new bureau will keep a card index record of sources where candidates for highly specialized positions in the local public service may be sought. From this index qualified applicants will be invited to take various examinations.

The information division will systematize hitherto unorganized efforts to answer questions that are asked over the telephone and by visitors at the estimated rate of 27,000 a month.

Public Personnel Agencies Train Apprentices

Laboratory or apprentice training of candidates for careers in government personnel work is under way in at least fourteen merit system agencies in the country, according to a recent report to the Civil Service Assembly of the United States and Canada.

The report describes the progress of a nation-wide survey of apprentice training opportunities for those who wish to supplement their university courses in public personnel work before seeking positions in the field. Prepared by the assembly's Committee on Training of Public Personnel Workers, the survey will now undergo analysis, followed by recommendations.

Illinois Observes Citizenship Day

Ceremonies were held in various Illinois cities on October 15 in commemoration of citizenship day.[1] In designating the day, in pursuance of statute, Governor Horner requested civic and patriotic organizations throughout the state to observe the day by suitable exercises, and asked that on this occasion the men and women of Illinois generally reflect upon the dignity and responsibility of their citizenship. Mayor Kelly of Chicago also issued a proclamation urging citizens of Chicago to lend their full coöperation to citizenship day by attending ceremonies arranged in honor of the men and women who, within the past year, had reached the age of twenty-one years.

Among the groups most active in organizing celebrations and programs on this day were the American Legion, the Daughters of .the American Revolution, and chambers of commerce. In many communities, however, no ceremonies were held, and those active in the movement hope that in future years the observance of citizenship day will be more widespread. The modest beginning which has been made encourages those who believe that such a day is an effective means of impressing upon new voters the rights and privileges of citizenship.

Charles M. Kneier
University of Illinois

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[1] See National Municipal Review, October 1939, p. 740.

New Charter Movements

The formation of a citizens' committee to revise the present city charter or to draft a new charter has been recommended by the legislative committee of the **Los Angeles, California,** city council, and on October 19, by a resolution introduced by Councilman Roy Hampton, the council asked Mayor Fletcher Bowron to appoint a citizens' charter committee.

Poughkeepsie, New York, has voted for a charter revision commission, 4,415 to 857, the proposition carrying all of the twenty-four election districts.

Dunkirk, New York, by a referendum election, authorized a citizens' survey committee to draft a new charter. The manager plan is favored by a local newspaper and various citizens.

Port Huron, Michigan, voted for charter revision on November 7 by a majority of 1,300 out of 7,000 votes cast.

Council-Manager Plan News

Proposed amendments to the **Miami, Florida,** charter, which would have weakened the manager plan, were snowed under at the election on November 7.

The Sewell amendment, sponsored by the present mayor, proposed an election next May to increase the city commission to seven, increase the mayor's salary to $7,500 and that of the commissioners to $4,500. The mayor would be elected directly, and would have the power to nominate all city appointees including the city manager, city attorney, hospital heads, etc., before they could be acted on by the commission.

The Overstreet plan, named after the state representative who introduced it into the legislature, would have redistricted the city, increasing the number of wards. All terms of the present commissioners would be terminated in May 1941, and they would be replaced by eight elected *district* commissioners and a mayor elected at large. This plan provided a salary of $5,000 for the mayor and $1,800 for commissioners.

The Sewell amendment was defeated by 8,003 to 797; the Overstreet amendment by 7,632 to 1,750. Of 50,000 qualified electors only 10,206 voted.

On the same day in **Allegan, Michigan,** the manager plan lost by a vote of 700 to 378; and **Zanesville, Ohio,** defeated the manager plan by a vote of 6,794 to 3,394.

Circleville, Ohio, defeated a proposal to adopt council-manager government by a vote of 937 to 1,464—an advisory vote only.

San Antonio, Texas, may vote on council-manager government some time in 1940.

Managers of sixteen **California** cities held a special session in conjunction with the annual meeting of the League of California Municipalities.

A three-day training conference was recently held at **Oklahoma City** by eleven city managers representing a population of 111,000 people, operating budgets totaling one million dollars, and more than five hundred employees. This is claimed to be a pioneer attempt to test the conference method of training public administrative officials.

The **Litchfield, Connecticut,** *Enquirer* in an editorial on September 28, recommended that careful consideration be given the town manager plan, in view of the increasing complexity and responsibilities of the local government, the increased tax rate, and the fact that Howard Bissell, the present first selectman, who has served the town for several years, has announced that he will not be a candidate for reelection. The editorial pointed out that present statutes permit any town with a board of finance to appoint either a town manager or as a partial equivalent a superintendent of highways. At present the responsibility for streets and highways is divided among the five selectmen, each in charge of a district.

The **Indiana** City Manager Plan Study Commission, created by the last legislature and recently appointed by Governor Townsend, held its first meeting at the

Statehouse, in Indianapolis, on November 28.

The Peoples League for Efficient Government of **Atlantic City** is circulating petitions to place the manager plan on the ballot. Some 4,300 valid signatures are needed.

Representative Stephen Bolles, Republican, of Wisconsin, a member of the House District Committee in Congress, has gone on record as endorsing the city manager plan of government for the **nation's capital.**

Cities recently reported as interested in the council manager plan include **Houston, Texas; Corbin, Kentucky;** and **Southgate, California.**

Providence Voters Favor New Charter

Voters of Providence, Rhode Island, have adopted a proposed new charter by a vote of 19,355 to 13,859. The charter must now be sent to the General Assembly of the state for ratification. One of the new document's most important provisions is that for a single-house legislative body of twenty-six members to replace the present Common Council and Board of Aldermen totalling fifty-two members.

Richmond Aldermen Reject Unicameral Body

The proposal before the Richmond Board of Aldermen to reduce the city's legislative body to a single house was rejected by the legislators. The *Richmond News-Leader,* in commenting on the rejection, says: "Inasmuch as the electorate of Richmond cannot have opportunity of voting on *any* material change until the names of 25 per cent of the qualified voters are signed to a petition, should a petition be circulated solely for a one-chambered council of nine? If Richmond is to be put to that pains to have an election, would it be well to petition for a complete new form of government under a city manager? Think that over. The time may be ripe."

City Planning in Frankfort, Kentucky

An increased interest in city planning in Kentucky is evidenced by a recent citizens' meeting on the subject held at Frankfort. The meeting was sponsored by the Woman's Club and the Garden Club of the city, and was attended by the City Council and representatives of all civic organizations. L. V. Sheridan, regional counselor of the National Resources Planning Board, John E. Ulrich, of the Kentucky State Planning Committee staff, and Charles T. Stewart, field consultant of the Kentucky Municipal League, addressed the group.

One of the principal problems confronting the city is the choice of proceeding under recently enacted general planning enabling legislation applicable to all cities of the third class, or under a special act of the last General Assembly applicable only to the capital city. Because of apparent conflict between the special act and a constitutional provision which prohibits special legislation, the failure of the legislature to appropriate funds for the commission provided for under the special act, the absence of adequate city representation on the commission authorized by the special act, and the apparent impossibility of integrating the work of the special commission with the administrative structure of the city government, the city was advised to establish a planning commission under the general act, and to proceed with the assistance of an experienced city planner.

James W. Martin
University of Kentucky

Cooperative Purchasing Plans in Seventeen States

Coöperative purchasing systems have been set up by legislatures or municipal leagues of at least seventeen states, according to the Municipal Finance Officers' Association of the United States and Canada.

Alabama, through legislative action this year, is the latest state in which cities may use the state's purchasing machinery in an effort to save money. With certain restrictions, the cities may make purchases under state contract stipulations.

Other coöperative municipal-state purchasing plans have been authorized by Michigan and New Hampshire in 1919, Virginia in 1924, Wisconsin in 1929, West Virginia in 1935, and Pennsylvania in 1937.[1] New Hampshire is the only state which assumes responsibility for the purchasing debts of local government units.

Michigan offers the best example of coöperative purchasing by cities through their state league. The Michigan Municipal League started the plan in 1930, when it bought fire hose for six cities. The league made purchases totaling $26,000 in 1937, buying fire hose, street name signs, paint, street and road grader blades, brooms, and incandescent lamps.

Nebraska's municipal league also started coöperative purchasing in 1930. Wisconsin's league was second, starting in 1933. Leagues of three states—Virginia, Oregon, and South Dakota—began the practice in 1936, while the Kentucky, Colorado, and North Carolina leagues started in 1937. Missouri and Arkansas started in 1938.

Kentucky Seeks Lower Municipal Insurance Cost

A survey of the costs of insurance on municipal property in Kentucky will be undertaken by the Kentucky Municipal League in the near future, pursuant to a resolution of the sixteenth annual conference of the American Municipal Association, held at Chicago on November 1-3, which advocated such studies on a nationwide scale. The procedure to be used in carrying out the project will be similar to that followed recently in Illinois, Michigan, Minnesota, New Mexico, New York, North Carolina, South Dakota, Texas, and Wisconsin. In each of those states the surveys have disclosed extremely low loss ratios on this class of property, and in some instances they have led directly to substantial rate reductions. It is believed that a similar condition will be shown to exist in Kentucky.

James W. Martin
University of Kentucky

Virginia County Commission Suggests Reforms

Zoning for Rural Counties in Michigan; San Mateo Retains Its Executive

By PAUL W. WAGER

Release of the tentative report of the Virginia Commission on County Government reveals that fifteen recommendations are under consideration. Among the more important of these are the following:

1. A third optional form of county government—the two now available being the manager and executive forms. The additional form proposed is the commission form. The board of commissioners would employ a trained and experienced county administrator with functions approximating those of the county executive under one of the present optional forms. There would be seven departments—finance, public works, public welfare, law enforcement, education, records, and health.

2. Creation within the state government of an Advisory Commission on Local Government or Department of Local Government. Such a commission or department, which would absorb the Commission on County Government, would serve only in an advisory capacity for rendering technical public administration services to the county officials on a coöperative and voluntary basis. It would have no policing powers.

3. Creation of county district councils in each of the thirty-three judicial dis-

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[1] See also "State-Municipal Coöperation in Purchasing," by Stuart A. MacCorkle, National Municipal Review, September 1938.

tricts to provide for a formal system of consultation and conference between county officials. Each council would be composed of the members of the boards of supervisors of all the counties in the district.

4. The fee system as a method of compensating county officials should be completely abolished regardless of whether the counties adopt one of the optional forms of county government.

5. County jails should be abolished except for the imprisonment of persons awaiting trial or as temporary lockups and the counties should be required to construct and maintain a limited number of regional jail farms to be operated by the counties jointly under strict state supervision. If this plan is not adopted the jails should be abolished and the state should construct and operate such regional jail farms.

6. Fully organized health departments should be made mandatory, either for each county or by districts for several counties, in the fifty-two counties which do not now have such health departments, and local boards of health should be appointed by county boards of supervisors from a State Board of Health eligible list.

7. The counties should be encouraged to make use of existing legislation providing for the joint election or appointment of officials to serve more than one county.

8. The office of constable should be abolished and its duties transferred to the office of sheriff.

Michigan Counties Adopt Rural Zoning

With the adoption of county zoning ordinances by Marquette and Delta Counties in its Upper Peninsula, Michigan joins Wisconsin and California in regulating the use of rural land, reports the American Society of Planning Officials.

The purpose of rural zoning is to provide for the best use of land. By regulating the new settlement of those who wish to make a living from agriculture, for example, counties can prevent the location of farms on unproductive land which may be better fitted for other purposes. Counties thereby also eliminate the expense of supplying governmental services to widely scattered residents.

Marquette County, Michigan, 1,738 square miles in area, is the largest county in the state. The northern part of it is rocky and hilly, generally unsuited to farming. The central section is a sandy plain of doubtful fertility. In the southeastern section are approximately 330,000 acres of fertile sandy loam and clay loam which can be farmed profitably.

The new rural zoning ordinance has divided the county for three types of land use: forestry, recreation, and unrestricted (where farming can be done). People now on the land may continue whatever use they are making of it, but no new use contrary to the ordinance will be permitted. The ordinance is administered jointly by the state and county planning commissions.

County zoning, of which rural zoning is a part, is approximately fifteen years old, according to the society. The first state to adopt an enabling act to permit regulation of land use in rural areas was Wisconsin, where Oneida County first passed a county zoning law in 1933.

Twenty-four Wisconsin counties, including five million acres of land, have been zoned. Rural zoning in California is mainly rural-urban, with both city and county joining in regulating land use for commercial, residential, agricultural, and other purposes.

Among other states with county zoning enabling acts, thus far put to only limited use, are Georgia, Indiana, Maryland, Pennsylvania, Virginia, and Washington.

San Mateo County Retains County Executive

At the recent election the voters of San Mateo County defeated the proposal to abolish the office of county executive.

The vote to retain the present system of county government was 24,278; the vote to abandon it was 18,144. San Mateo is one of the two California counties having county executives, the other being Los Angeles County. There is a bona fide county manager in Sacramento County.

Los Angeles County Considers Manager

A year or more ago Los Angeles County took a step toward unified administration by appointing a county administrator.[1] It has been so pleased with the experiment that it is now considering the adoption of a full-fledged manager plan. A resolution ordering the proposal to be submitted to the voters, probably in November 1940, has been placed before the Board of Supervisors by the board's chairman, Roger Jessup. If the voters approve the charter amendment, Colonel Wayne R. Allen, who has rendered such fine service as county administrator, will probably be the leading candidate for the position of manager.

The county's charter has been in effect for twenty-six years.

New York County Rejects Manager Charter

Onondaga County, New York, which voted on a new charter prescribing the county manager plan with proportional representation for the election of the county council, defeated the proposal by a vote of 46,862 to 22,863.

Wisconsin Reduces School Aid

Several definite improvements were made in Wisconsin school laws by the 1939 legislature, reports the *Wisconsin Taxpayer*. These changes, important in themselves, are especially significant because they represent a new trend of thought in Wisconsin. Two of the more important laws enacted are those providing for consolidation of school districts with low valuations and for reduced state and county aid to schools with small enrollments.

The law which has been in operation, known as the Callahan law, provided for a basic $250 per teacher aid on the part of both the state and the county. In addition, districts with low valuations received equalization aid. The intent of the law was good, but, as it worked out, small, weak districts were encouraged to maintain their existence whatever the cost to the state and county. The formation of new, inadequate districts was even encouraged. The new state-aid law (chapter 143) will appreciably reduce state and county aid to low enrollment districts, for henceforth state and county will each contribute only $25 per pupil instead of $250 per teacher and there will be no additional equalization aid.

The law relating to consolidation (chapter 228) permits the state superintendent of public instruction to consolidate districts of less than $100,000 valuation with adjacent districts, regardless of whether the district operates a school or has closed its school and transports pupils to another district. Consolidation of such transporting districts will have two significant effects: first, taxes will be levied on a larger tax base; and second, state aid for transportation will be paid only for children living more than two and one-half miles from the schoolhouse instead of two miles as at present.

It is estimated that 2,527 school districts will be subject to one or both of these laws. In the 1937-38 school year there were 1,543 districts in the state with enrollments of twelve pupils or less. Of these, 1,228 maintained a school. There were 1,469 districts with a valuation of less than $100,000. It is not expected that all of the districts in either category will be affected immediately. Both laws appear to give the superintendent of public instruction considerable discretion and he will probably consolidate districts and change the basis of dispensing aid only in those instances where in his judgment it can be done without resulting in great hardship on the residents of the district.

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[1] See also "Streamlined County Government—Los Angeles Style," by John McDiarmid, NATIONAL MUNICIPAL REVIEW, November 1939.

Six Pennsylvania Counties Have No Debt

Six counties of Pennsylvania have no outstanding bonded indebtedness on the basis of 1938 returns to the State Department of Internal Affairs. They are Cameron, Forest, Franklin, Fulton, Montgomery, and Union. The three counties with the lowest county tax rates are Chester with a rate of one mill, Montgomery with a rate of two mills, and Lebanon with a rate of 2.25 mills.

Laboratory of Government in North Carolina

The North Carolina Institute of Government moved into its own building in Chapel Hill, North Carolina, on November 29. The institute has grown steadily since its establishment five years ago. It holds conferences, classes, and other gatherings for public officials—county commissioners, law officers, city aldermen, and other civic officers. Here they learn what other units are doing to improve government and discover the inefficiencies resulting from obsolete methods, bad bookkeeping, and overlapping and conflict of functions. Laws, old and new, are discussed and analyzed and their practical consequences explained. Authorities in many fields are brought to the institute for the conferences.

Formal opening of the new building was attended by a distinguished array of public officials and educators, with Speaker William Bankhead of the House of Representatives as guest speaker.

Local Housing Authorities Borrow from Public

Pari Mutuels for New York; but No "Ham and Eggs" for California or Ohio

By **WADE S. SMITH**

Eleven local housing authorities successfully offered to the public on November 14 nearly fifty million dollars of their short-term notes in what United States Housing Authority Administrator Nathan Straus hopes will prove the first of periodic opportunities for private capital to participate in financing public housing projects. The notes, which are due in six months, will be used to finance construction requirements and will be repaid from advances made on loans already approved by the USHA. Since the notes were sold at an interest rate of .6 per cent, whereas the USHA would under the law have had to charge at least 3 per cent had the local authorities taken cash from it at once, a very sizeable saving to the local authorities is effected by the short-term financing during the construction period.

The eleven authorities and the amounts offered are: Atlanta, Georgia, $4,300,000; Charleston, South Carolina, $1,410,000; Charleston, West Virginia, $1,700,000; Chicago, $3,465,000; Louisville, $7,000,000; Macon, Georgia, $1,000,000; New Orleans, $9,600,000; Peoria, Illinois, $3,000,000; Philadelphia, $8,900,000; Pittsburgh, $7,800,000; and the Alley Dwelling Authority of Washington, D. C., $1,500,000. The total of $49,675,000 notes was purchased by a nation-wide syndicate of fifty-one banks, trust and insurance companies, for their own investment purposes. None were re-offered on the open market. Administrator Straus announced hope that similar offerings in blocks of approximately fifty million dollars might be made for other authorities in the future at from four- to six-weeks intervals.

In the two years in which the authority has been operating, Mr. Straus said, it has made or approved loans totaling $531,317,000. This represents 90 per cent of the $579,035,000 cost of 297 projects in 135 communities. To November 1, 115 projects, providing 47,044 dwelling units, were under construction, with an average net construction cost of $2,890 per dwelling unit. Rents will average $12.25 per month in the south and $17.50 per month in the north, for each dwelling unit. An additional seventy-one projects, to provide 24,000 dwelling units, will go into construction between now and the first of the year, and a total of 121 dwelling units will have been completed by the late spring of 1940. In all, the program contemplates USHA loans of $693,000,000, representing 90 per cent of projects to cost $770,000,000 and will provide approximately 160,000 dwelling units in 155 communities. Completion of the program is to see the removal of 640,000 persons from substandard living conditions to the new low-rent homes.

Voters Reject California and Ohio Pensions

Californians, after making a record for off-year registrations, voted down three to one the second edition of "Thirty Dollars Every Thursday" on November 7, while Ohio voters by a two-to-one tally defeated that state's Bigelow pension plan. Although the two pension schemes were widely bracketed by the nation's press in election stories, they were in actuality nearly as far apart as the poles. The Ohio plan was in essence a mere extension on the grand scale of existing tax-supported pensions. The California "Ham and Eggs" proposal, however, managed to combine the worst features of so-called "revolving credit," printing press money, and miscellaneous odds and ends designed to attract one group of voters or another. The defeat of the California plan was followed immediately by a recovery in prices on bonds of the state and its municipalities, while Ohio obligations showed a substantial, although less impressive, response. Both plans had threatened fiscal chaos in the respective states had they been adopted.

New Yorkers Approve Pari Mutuels

In New York race-track operators made preparations to convert space now occupied by bookmakers to cashiers' windows for the pari-mutuel machines as voters by a better than two-to-one return ratified a constitutional amendment providing for this type of betting. Legislative sponsors of the amendment, jubilant at their final success, cleared the decks to introduce enabling legislation when the legislature meets in January. The "take" of the machines in states where they are in use ranges to as high as 10 per cent of the amount wagered, with the split between state and operators ranging from 50-50 to as high as 70 per cent of the take for the operators. In New York, during the eight years the amendment has been sought actively, a 10 per cent "take," divided 60 per cent to the operators and 40 per cent to the state, has been most frequently mentioned. Supporters of the measure contend it may enrich the state's treasury as much as $10,000,000 a year. Less sanguine estimates range up to half that amount.

Louisville Endows Finance Award

An annual award, to be given to the public finance officer who during the year has made the greatest contribution in some matter of finance or accounting to the governmental agency for which he works, has been established by the city of Louisville through the Municipal Finance Officers' Association, that organization announced at its recent annual conference. The city established a $1,000 fund for the award. A committee is shortly to be appointed to decide the basis on which the award will be made, and another committee will be set up later to choose the recipient. The development of new systems of budget control, the reorganization of accounting systems, the accomplishment of difficult refunding operations, and leadership in general financial reorganization are services which may receive recognition through the Louisville award, the association reports.

New Jersey and its municipalities received early in November $3,170,000 on account from all the railroads in the state except the Pennsylvania—payments on tax arrears for 1932 and 1933. Of the total, $1,578,000 went to the municipalities, while the counties got $1,592,000 for school purposes. Railroads and the state have been in litigation for the last seven years over railroad assessments, and the roads have withheld 40 per cent of their taxes pending outcome of the litigation. Courts held the full amount due, and the recent payment was in part settlement. Proposals have been before the state legislature during the past year looking toward a compromise of arrears at 50 per cent or better, and a federal court decision recently enjoined the state, which is the collecting agency, from taking more than 60 per cent of the levies of 1934, 1935, and 1936.

In general, the November election was marked throughout the country by a pronounced absence of bond propositions such as were so much in evidence in 1938. Few state or municipal issues of consequence were on the ballots, and fewer still were approved. The largest was New Jersey's $20,000,000 relief bond proposal which was approved by a comfortable majority.

Texas' twenty-million-dollar deficit results from faulty accounting procedures, according to a statement by Fladger F. Tannery, of the University of Texas and former first assistant state auditor. There is at present, he says, no way to provide even a day-to-day check of actual revenues against estimates. An executive budget with an extensive budgetary-accounting control system is recommended. Mr. Tannery recently returned from Rhode Island, where he assisted in revising that state's fiscal and accounting structure.

One out of every seven dollars in the American tax bill is collected by one unit of government and spent by another, according to a recent study by the American Municipal Association and the Federation of Tax Administrators. State grants to localities lead in the transfers, with federal grants to states second.

The Second Use of P.R. in New York City

Prevents a Blackout of Fusion Forces

Other Cities Hold P.R. Elections
Efforts to Extend P.R. Repulsed

By **GEORGE H. HALLETT, JR.**

New York City has proportional representation to thank for the continuance of any representation for friends of the LaGuardia administration in the city council for the next two years.

With war news crowding nearly all mention of the election out of the newspapers till after registration days were over and with no mayoralty or other spectacular contest to bring out the vote, approximately half a million people who voted for mayor two years ago did not vote this year. Apparently most of those who did not vote were independents, for the Democratic organization registered an overwhelming victory in every plurality contest throughout the city. County Judge William O'Dwyer, the Democratic nominee, was elected Kings County (Brooklyn) district attorney by 362,709 votes to 131,262 for William R. Bayes, chief justice of the Court of Special Sessions, Republican, and 96,256 for Magistrate Charles Solomon, American Labor. In Manhattan former Justice Jonah J. Goldstein, Democrat, was elected justice of the court of general sessions over Chief Magistrate

Jacob Gould Schurman, Jr., Republican (defeated earlier in the Democratic primaries after he had been accepted by the Democratic organization on the recommendation of the bar associations), by 254,226 votes to 112,447. The successful Democratic nominees in these widely discussed contests both had good reputations, but all the other judicial and county contests went the same way and every Democratic nominee, good, bad, or indifferent, was easily elected. This held for district elections as well as borough-wide contests in every borough.

If it had not been for P. R. the council results would undoubtedly have been like all the rest. Four years ago, in the corresponding "off-year" election in Mayor LaGuardia's first term, the Democratic organization elected sixty-two aldermen out of sixty-five. Four years before that it elected sixty-four out of sixty-five. This year, in the larger districts which would have been necessary for the present smaller council if the old single-member district system had been retained, it would probably have made a clean sweep of every place. It did just that when the city's twenty-three seats in the State Senate were filled three years ago, and last year it elected every state senator but one.

In contrast the P. R. election gave the anti-Tammany forces seven councilmen out of twenty-one, just a third of the council. Though this represents a loss of four places while the Democratic organizations lost only one, it leaves the Fusion forces with a larger share of the council than they ever had of the Board of Aldermen in recent years, even during Mayor LaGuardia's administration.

Automatic Reapportionment

The loss for both sides in this year's council election is explained by the variable size of the council, which is determined by the size of the vote cast. Each borough elects as many councilmen as it polls valid quotas of 75,000 votes for council, with an additional councilman for a remainder of 50,000 or more. Because of the decreased vote Brooklyn elected seven councilmen this time instead of nine, Manhattan five instead of six, the Bronx and Queens four each instead of five, and Richmond (Staten Island) its guaranteed minimum of one as before.

One of the great advantages of this scheme is that it solves the apportionment problem from election to election automatically. Before the advent of P. R. Manhattan had the same representation as Brooklyn in the Board of Aldermen and four times the representation of Queens, though its proportion of the city's votes and population had long since ceased to justify any such share of the members.

A Case of Majority Rule

In every borough except Manhattan there was a good sized majority for the regular Democratic candidates over their nearest rivals and P. R. properly gave the Democrats a majority of the places.

The majority was not everywhere evident from the first choices, since a number of Democrats appealed for Democratic votes without official endorsement and received a part of the organization's vote, which later transferred to the regular nominees when the others were defeated. P. R. is a primary and final election all in one. Some analysts, confusing the Democratic party primary part of it with the contest between parties, have classed the first-choice votes of the unendorsed Democrats with those of the opposition and concluded that the Fusion forces deserved much more than they actually received.

A great many of these were never Fusion votes at all. A good example is the block of nearly ten thousand votes given to former Democratic Alderman John J. McManus in Brooklyn. When Mr. McManus was defeated over two-thirds of his ballots showed next choices for the Democratic regulars.

Before the end of the count a considerable majority of all the voters in

Brooklyn, Queens, and the Bronx were found in the regular Democratic column either by first choice or by transfer to Democrats in preference to the Fusion candidates who were still available in every case.

Minorities Represented in All Boroughs

In each of these boroughs P. R. gave the Democrats a majority but not the monopoly they would have secured under other systems of election.

In Brooklyn the new councilmen, in the order of their election, are Joseph T. Sharkey, Democratic incumbent, chairman of the Council Committee on General Welfare and former alderman; Genevieve B. Earle (Mrs. William P. Earle, Jr.), member of the Charter Revision Commission which drafted the new city charter, reelected with City Fusion and Citizens' Non-Partisan Committee designation without the endorsement of any of the three legally recognized political parties; John Cashmore, Democrat, vice-chairman and majority leader of the present Council; Anthony J. Digiovanna, Democratic incumbent, former assistant district attorney; Walter R. Hart, Democratic former alderman, also a former assistant district attorney; Dr. Harry W. Laidler, executive director of the League for Industrial Democracy, former state chairman of the Socialist party, running this year as a candidate of the American Labor party with the endorsement of the Citizens' Non-Partisan Committee; and William M. McCarthy, Democratic incumbent and former alderman.

Abner C. Surpless, Republican councilman who has made frequent attacks on the Fusion administration, and Andrew R. Armstrong, American Labor party nominee and minority leader in the present council running with Citizens' Non-Partisan Committee endorsement, were the last two candidates defeated. A more extensive use of later choices by the elements in opposition to the Democratic organization might have given them a third seat in Brooklyn. The loss of effective votes through exhaustion of the choices marked was naturally more serious in that borough than in others, since the number of candidates, fifty-three, was far greater than in any other borough.

In the Bronx the four candidates elected, in order, were Salvatore Ninfo, American Labor party incumbent endorsed by the Citizens' Non-Partisan Committee; Charles E. Keegan, Democratic incumbent and former alderman; Louis Cohen, Democrat, Bronx superintendent of highways; and Joseph E. Kinsley, Democratic chairman of the Council Finance Committee and former alderman. Michael J. Quill, labor leader who was denied American Labor party support for re-election because of his refusal to support an anti-Communist and pro-Ally resolution and who ran as an independent, and Democratic Councilman James A. Deering were the last two candidates defeated.

In Queens the successful four were James A. Burke, Democratic incumbent elected at the head of the poll two years ago without the party organization's designation or support and re-elected this year with a full quota of 75,000 first choices, the only candidate in the city to be so honored in either P. R. election; Hugh Quinn, Democratic incumbent; John M. Christensen, Republican incumbent; and William N. Conrad, Democratic incumbent who, with Mr. Burke, coöperated with the Fusion opposition in the early days of the present council and participated in a successful revolution which has since captured control of the Queens Democratic organization. Councilman Charles Belous, candidate of the American Labor and City Fusion parties and the Citizens' Non-Partisan Committee, was runner-up, ahead of two Democrats and two Republicans.

Another Smith in the Limelight

In Manhattan, despite the decreased vote and the consequent advantage to the majority party machine, Tammany actually failed to elect a majority of the councilmen. The reason was a large insurgent vote within the Democratic party supported by a good block of independent votes for Alfred E. Smith, Jr., who was refused a designation by the Democratic organization but with the aid of his distinguished father was elected anyway. On the last transfer, from former Tenement House Commissioner Langdon W. Post, candidate of the American Labor party and Citizens' Non-Partisan Committee, Mr. Smith overcame a lead of nearly four thousand votes and went ahead to win over the Tammany candidate, Louis De Salvio, son of the night club proprietor "Jimmy Kelly," by a margin of 645 votes.

A much larger block of Mr. Post's ballots showed Councilman Robert Straus as next choice and helped elect him at the head of the poll. Mr. Straus, an independent Democrat, was a running-mate of Mr. Post on the ticket of the Citizens' Non-Partisan Committee and the principal candidate of the City Fusion party, but did not have the official endorsement of any of the legally recognized parties—Republican, Democratic, and American Labor. The other three candidates elected in Manhattan were, in order of election, William A. Carroll, Democratic incumbent and former alderman; Joseph Clark Baldwin, Republican endorsed by the Citizens' Non-Partisan Committee, former state senator, and former minority leader in the Board of Aldermen; and John P. Nugent, Democratic incumbent and former alderman. Democratic Councilman Howard Spellman was defeated just before Mr. Post.

In the borough of Richmond, which polls less than a quota of votes all together, there were only two candidates. The contest therefore resolved itself into an old-fashioned majority contest in its simplest form. Democratic Councilman Frederick Schick was re-elected.

Continuity in Personnel

From this summary it will be evident that, even with the considerable change in votes since 1937, there will be only four new faces in the Council. Twelve of the fourteen regular Democrats and five of the seven in opposition will have had previous councilmanic experience. This illustrates one of the well established advantages of P. R. Landslides are not exaggerated and even the side which loses in votes does not lose an undue proportion of its experienced champions.

The Democratic organization will have the two-thirds majority in the new council necessary to override the mayor's veto. This is not, however, a cause for grave concern to friends of the LaGuardia administration. Every Democratic vote, or its equivalent from the Fusion side, will be needed to override, and several of the Democratic members have at times shown sufficient independence to differ with the Democratic leadership when they thought the public interest or the sentiments of their own constituents demanded it. Two of the regular Democrats, Mr. Burke and Mr. Hart, were pronounced qualified before the election by the nonpartisan Citizens Union (which gave full endorsements to five of the opposition—Councilmen Baldwin, Earle, Ninfo, and Straus, and Dr. Laidler).

The strong representation of the opposition gives more influence to the more public-spirited members of the majority, since any four of them, added to the regular minority, can prevent even a majority action which they do not consider justified.

The Fusion Campaign

The Fusion campaign for councilmen this fall was led by the Citizens' Non-Partisan Committee, established first for the mayoralty campaign two years ago under the chairmanship of former Judge Samuel Seabury. Judge Seabury remained an active member this year but because of his recent election as president of the New York City Bar Association was replaced as chairman by former Judge Thomas D. Thacher, chairman of the recent New York City Charter Revision Commission and former solicitor general of the United States. The committee sponsored a ticket of seventeen council candidates in the five boroughs,[1] which was supported by Mayor LaGuardia, Comptroller McGoldrick, Council President Morris, and Borough Presidents Ingersoll of Brooklyn, Isaacs of Manhattan, and Palma of Richmond—all the Fusion members of the Board of Estimate.[2] The committee included on its ticket the principal nominees of the Republican, American Labor, and independent groups whom it considered worthy of support and endeavored with some success[3] to persuade the forces friendly to the city's nonpartisan administration and opposed to Democratic machine rule to give votes to all its candidates, whatever other candidates they might also support, so that places should not go to Tammany and its allies by default through the scattering of the opposition. To this end the committee endeavored to get its distinctive designation on the ballot for all its candidates through the circulation of separate petitions and succeeded for eleven of the seventeen.

Nearly all the great metropolitan dailies supported the ticket and five of the seven anti-Tammany members elected (all except Mr. Christensen and Mr. Smith) were members of it.

The City Fusion party also had a ticket of its own, which overlapped the Citizens' Non-Partisan Committee ticket and included, among the successful candidates, Mrs. Earle of Brooklyn and Mr. Straus of Manhattan, who had been elected with its designation two years before.

Fair Treatment for Both Sides

The result of the election is summarized by boroughs in table I, the comparable figures for the previous election being given in parentheses.

Because the Democrats were fortunate enough not to have any of their votes wasted on the last defeated candidate in four of the five boroughs, they received one more seat than was rightfully due them on a city-wide basis. The results, however, were much more closely proportional than any in recent years under the old plan or than any that would ever be experienced under a plurality election except by pure accident. Here are the figures for the deciding counts in the five boroughs, after all ballots had been transferred to their earliest choices among the candidates with a chance of election, that is, among the candidates actually elected and the runner-up:

	Final Vote	Members Elected
Democrats	885,023 (60%+)	14 (67%—)
All Others	578,371 (40%—)	7 (33%+)

An Efficient Count

Two years ago P. R. was subjected to much criticism because of the time and money consumed in the count. Proportionalists maintained that much of this was due to the mistake of paying the canvassers by the day instead of by the job, a conclusion which was strikingly verified this year when the job basis was adopted. A smaller vote, fewer candidates, and more experienced directors and staffs made the work intrinsically easier this year, but these factors were partly balanced by a decrease in the size of the counting force and could not by themselves account for any such saving of time as was actually experienced.

The Manhattan count this year, under the direction of Gabriel L. Kaplan and John T. Dooling, was probably the most

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[1] Seven in Brooklyn, four in Manhattan, three in the Bronx, two in Queens, and one in Richmond. Petitions were filed for two other strong candidates, one in Manhattan and one in the Bronx, but were thrown out on technicalities.

[2] Borough President Harvey of Queens was elected with Fusion support, but has generally acted in opposition.

[3] Two years ago the Citizens' Non-Partisan ticket lost heavily in the transfers through failure of many of its supporters to mark enough choices to make their votes effective, but this year it made a net gain of over 16,000 between the first and final counts.

TABLE I

	Democrats	Republicans	American Labor	City Fusion	Insurgent Democrats
Bronx	3 (3)	0 (0)	1[n] (2[n])	0 (0)	0 (0)
Brooklyn	5 (5)	0 (1[n])	1[n] (2[n])	1[n] (1[n])	0 (0)
Manhattan	2 (3)	1[n] (1[n])	0 (1[n])	1[n] (1[n])[a]	1 (0)[a]
Queens	3 (1)[a]	1 (1)	0 (0)	0 (1[n])	0 (2)[a]
Richmond	1 (1)	0 (0)	0 (0)	0 (0)	0 (0)
	14 (13)[a]	2 (3)	2 (5)	2 (3)[a]	1 (2)[a]

[n] Endorsed by Citizens' Non-Partisan Committee.

[a] The two Queens Democratic insurgents of 1937 were on the regular Democratic ticket this time, their faction having captured the Queens Democratic organization in the meantime. Councilman Straus, listed only as a City Fusion member in Manhattan, is also an insurgent Democrat.

efficient and expeditious ever conducted in this country. A count of over 400,000 ballots, with fourteen regular candidates and two heavy write-ins for five places, was completed by 260 canvassers in five working days of about eight hours each. Last time it took a force of five hundred longer than that to complete the first count with some 100,000 more ballots, and the entire Manhattan count with forty-seven candidates for six places took eighteen days.

The Bronx also finished in five days. Even Brooklyn, with over 600,000 ballots and fifty-four candidates, took only nine days.

The money expended was much less than half what it was two years ago. The total cost attributable to P. R. was approximately $260,000 as compared to $700,000 in 1937. This was a cost of less than four cents for each resident of the city, to get a representative legislative body for the next two years instead of one with a Democratic machine monopoly. If primaries were not continued for other elections, as they would not need to be if the P. R. ballot were extended, there would be an actual saving.

Fewer Candidates

The excess of candidates which somewhat marred the first P. R. election was also greatly reduced this year. Part of the reduction was due to successful efforts of Democratic organization leaders to throw opposition candidates off the ballot through technical objections to their petitions, but even before these attacks started the number was not at all excessive except in Brooklyn. The comparative numbers were as follows:

Regular Council Candidates

	1939	1937	Decrease
Bronx	12	33	21
Brooklyn	53	99	46
Manhattan	14	48	34
Queens	19	45	26
Richmond	2	7	5
Total	100	232	132

The Communist candidates—one in each of the four large boroughs—were all thrown off the ballot because of defects in the form of their petitions. Their supporters staged a write-in campaign and gave each of them enough votes to keep him in the running after the candidates with less than the 2,000 minimum were defeated at the end of the first count. Their leading candidate, Peter V. Cacchione, who had been the runner-up in Brooklyn in 1937, went out this time with 24,677. Several hundred votes were also written in for Frank Crosswaith, Negro candidate of the American Labor party and the Citizens' Non-Partisan Committee, whose nominating petitions were thrown out in Manhattan.

Most Votes Effective

Except in the Bronx the ballots of the last candidate defeated in each borough were not transferred this year, as they were two years ago, to the other candidates still in the running for whom choices were marked; but even counting all the ballots of the runner-up as ineffective, nearly four out of every five who cast valid ballots helped elect someone for whom they had voted. The figures, based on official returns are as set forth in table II.

The actual number of votes thus made effective in electing councilmen for whom the voters voted exceeds the largest number ever made effective in electing aldermen under the old system by more than 100,000 even though the total valid vote for council this year was less than in either of the last two elections of aldermen. Figures are shown in table III.

The number of persons satisfied with the results this year was even considerably greater than this total indicates. In the Bronx, when the ballots of the runner-up were distributed to their next choices among the successful candidates, it was found that 277,413, or 88 per cent of those who cast valid ballots, had voted for one or more of the candidates elected.

The invalid ballots in the four boroughs where P. R. was used varied from 12½ per cent of the marked ballots in Brooklyn, which is higher than the highest borough mark two years ago, to 7 1/3 per cent in Queens, which is lower than the lowest two years ago. If Brooklyn had done as well as Queens in this respect,

TABLE II

Borough	Effective	Exhausted[a]	Total Valid
Bronx	244,058 (78%)	70,601 (22%)	314,659
Brooklyn	432,295 (78%)	122,567 (22%)	554,862
Manhattan	306,810 (79%)	81,794 (21%)	388,604
Queens	240,812 (80%)	60,481 (20%)	301,293
Richmond[b]	31,173 (65%)	16,514 (35%)	47,687
	1,255,148 (78%)	351,957 (22%)	1,607,105

[a] Including all ballots of the runner-up in each borough.

[b] The Richmond contest was not a P. R. election, since only one councilman was to be chosen.

TABLE III

	Effective and Wasted Votes Effective	Wasted	Total Valid
P. R. Council, 1939	1,255,148 (78%)	351,957 (22%)	1,607,105
P. R. Council, 1937[a]	1,615,036 (80%)	398,065 (20%)	2,013,101
Aldermen, 1935	1,146,938 (67%)	565,133 (33%)	1,712,071
Aldermen, 1933	1,044,882 (55%)	849,928 (45%)	1,894,810
Aldermen, 1931	854,590 (65%)	454,704 (35%)	1,309,294
Aldermen, 1929	847,951 (63%)	505,769 (37%)	1,353,720

[a] These figures are not quite on the same basis as those of 1939, since in 1937 the ballots of the runners-up were distributed to next choices before these figures were arrived at.

it would have elected an additional councilman. The Queens local papers did an especially good job in educating the voters in the use of the P. R. ballot.

Other P.R. Elections

Including the four borough elections in New York City, there were nine P. R. counts this fall in six American cities, New York, Yonkers, Cincinnati, Toledo, Hamilton (Ohio), and Boulder (Colorado).[4]

Accounts of these elections, which could not be included in this issue because of space limitations, will be given in this department next month.

P.R. Proposals Defeated

The four P. R. propositions submitted in New York communities this fall were all defeated. In Schenectady the proposed charter amendment to add P. R. to the city manager plan was beaten 14,059 to 9,965. In New Rochelle a similar proposal went down 9,644 to 4,125. In White Plains, which does not have the manager plan, a proposal to elect the council by P. R. and let the council choose the mayor from its own number was defeated 6,278 to 3,363. And the county manager form of government with a county council elected by P. R. from two districts (one district being the city of Syracuse, the other the balance of the county) was defeated in Onondaga County by 46,862 to 22,863.

In all four places P. R. was opposed by the locally dominant Republican organization and favored by the Democratic minority, though in New Rochelle there was no active support from either party.

In Onondaga County the newspapers gave the proposal very little attention, the opponents refused to join in debate, and all the efforts of the members of the Syracuse University faculty and League of Women Voters who were leading the adoption campaign to get a serious public consideration of it were unavailing.

In New Rochelle and White Plains there was much better newspaper coverage, but the majority machine was thoroughly unscrupulous in its circulation of falsehoods about P. R. and the proponents lacked the means to combat them with equal thoroughness. The P. R. forces are not discouraged and plan to try again. They expect the favorable experience of Yonkers with P. R. this fall will be a great asset to them next time.

EDITORIAL COMMENT

(Continued from Page 820)

seized the opportunity to choose a prominent speaker from among persons attending the conference to address its own meeting. About 250 leaders of the women's organization, which has a membership of about seven thousand, heard Allen H. Seed, Jr., president of the National Association of Civic Secretaries and executive vice president of the Minneapolis Civic Council.

One of the high spots of the conference was an address at the concluding session by Aaron B. Cohn, city councilman from Toledo, who described the struggle last year to prevent several members of the city council from carrying out a plan to discharge the then city manager, John N. Edy.[2] The audience "sat in" on the turbulent session through the medium of a recording, part of which was played, and heard thousands of irate citizens boo the villain and cheer the heroes of the occasion.

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[4] Wheeling and Norris (an unincorporated town in Tennessee organized under the TVA) also held P. R. elections earlier in the year.

[2] See also "Alert Citizen Group Wins Again in Toledo," by Alfred Willoughby, NATIONAL MUNICIPAL REVIEW, October 1938.

Books in Review

EDITED BY ELSIE S. PARKER

Local Government in Europe. Edited by William Anderson. New York City. D. Appleton-Century Company, 1939. 453 pp. $4.00.

England, France, Germany, Italy, and the Soviet Union each has its major method of carrying on local government set before us in this book, and each by a competent scholar who has made a special study of the country concerned. Appended to each section are important laws and documents.

The writers deserve a more colorful term than "competent." There is really good writing and good reading here which meets all the standards of The Century Political Science Series. Certain portions of the book are especially enlightening. There are parts of the section on Germany by Fritz Morstein Marx which are veritable searchlights on the morale of the German people. The section on the Soviet Union is as amazing a revelation of the life that is going on in that strange country as was that fascinating but terrifying building at the New York World's Fair erected by the Soviet government.

Dr. Gooch never mentions the point directly, but his pictures of local government in England show that "muddling through" is not nearly as characteristic of that country as that too facile term implies. A policy of continuous adjustment, not always well integrated but nevertheless elastic, appears to have been the method in the local government field. For immediate practical value to Americans the section on England (and Wales) should prove full of suggestions.

We do not have the highly centralized system of France described so cogently by Dr. Walter Rice Sharp, nor are we headed, we hope, for the corporative state that Dr. Steiner sets forth in his description of Italian local units.

There is so much of local government in Europe which could not be included in this book that one is led to hope that another volume is in prospect. In that next book we hope the admonition of the wise editor, whose Introduction is not the least important part of the book, will be given even greater prominence than this one gives it, though the section authors do not neglect it. Dr. Anderson lists as the eighth major issue with which the book deals: "means for granting redress to citizens whose rights are invaded by the actions of local officers and employees." How German burghers can ask for redress and yet dodge the concentration camp is hinted at by Dr. Marx; Russians are almost invited to complain, it would seem.

The question of the irate citizen links closely with the whole question of policy-determination and that with citizen participation in government. Government even on the local level is not entirely administrative; the determination of what should be done is as important as the doing of it; and it would appear from this book that even in German cities the local fuehrer has to do something which looks suspiciously like keeping his ear to the ground even though the national Fuehrer is said to depend on horoscopes and hunches.

In Russia a deputy to a village soviet represents not more than 250 persons, has a two-year term, and "provision is made for a recall at any time of individual deputies who have not justified the confidence of their voters, and for the choosing of new members at special elections." This is tantalizing knowledge. One is tempted to ask if the "door-bell pullers" of Philadelphia have yet appeared there, and if the Russian equivalent of the "service club" pays to have billboards bear the slogan which the phosphorescent wits of the chief directors of American behavior, the advertisers, have fashioned as the best they can do to stir the torpidity of our voters—"Vote anyhow, but vote."

Maybe we are asking for too much in one book, but Dr. Anderson quotes De Tocqueville and then chides him a little for overlooking the local self-government practiced even in his day, now a century past, in Switzerland and Scandinavia; as a result we are led to expect more reporting on opinion-making than we get. We are told that the Parisian police are unexcelled in solving crimes but poor in dealing with riots and mass demonstrations. Yet these latter we know are in France part of the recognized methods of "citizen participation in government." That is why we would like to know whether this is so thoroughly understood that the prefect of the Seine considers it his duty to do no more than dismiss them with the usual Gallic shoulder-shrug.

It is, nevertheless, an indispensable book, not only for what it tells and tells so well, but for all the suggestions it brings to life in those seeking to do a better task in some small area of a great adventure—humane and efficient local governmental service.

Walter J. Millard

Writing Effective Government Letters. By James F. Grady and Milton Hall. Washington, D. C., Employee Training Publications, 1939. xvi, 109 pp.

"How to Win Friends and Influence People through the Mails" should be the subtitle of this book, and certainly the government needs both. Even a non-government official must inevitably find himself engaged in soul-searching after five minutes with "Writing Effective Government Letters." Some of the epistolary crimes described with verve and humor by Messrs. Grady and Hall are given such intriguing pseudonyms as "hoop skirts," "stuffed shirts," etc. Have you a little anachronism in your files?

M.R.

Conference Planning and Management. A Check List for Association Executives. Prepared by Frederick C. Mosher. Chicago, Public Administration Service (Publication No. Sp. 12), 1939. viii, 24 pp. Fifty cents.

In spite of the admonition of the Bible, "Let there be no more assemblies," (*Isaiah*), it seems likely that the present trend for every three like-minded Americans to call an annual convention will become augmented, rather than curtailed. It is therefore well that Public Administration Service has, out of the richness of the experience of the voluntary membership organizations at 1313, compiled a check-list of things to do and not to do in planning a convention. The chapter titles are an indication of the completeness of the outline which seems, at least at first glance, to be very complete indeed: I. General Considerations in Planning a Conference; II. Factors Affecting Choice of Location; III. Factors Affecting Choice of Hotel; IV. Financing the Conference; V. Promotion of Attendance; VI. Development of the Program; VII. The Program Itself; VIII. The Participants; IX. Management at the Conference; X. Reporting of Conference Proceedings; XI. The Press and Publicity; XII. Post-Conference Check-up; and finally, a bibliography. Call this one invaluable.

Milwaukee Civic News. 1938 Annual Report of Common Council. Prepared by the Municipal Reference Library. Milwaukee, Wisconsin, 1939. 24 pp.

Devoted to Democracy. Budget 1940, Board of Education, Rochester, N. Y., 1939. 24 pp.

A Generation of Education. By New York State Education Department. Albany, New York, 1939. 73 pp. illus.

Manhattan 1938-1939. Report of Stanley M. Isaacs, Borough President. New York City, 1939. 52 pp.

Brooklyn Progress, Being an Abbreviated Report of the Borough President of

Brooklyn for the Year 1938. Brooklyn, New York, 1939. 47 pp.

When is a government report? When it's not a government report. This modern paradox is not a paradox but a cold statement of the new trend. Not a bad trend, either. If a citizen should happen to get hold of any one of these five reports—although probably not many simple burghers are, alas, fated to see them because they look too expensive for mass distribution—he might be intrigued into reading them and thus into absorbing a few facts about an enterprise for which he alone pays, and pays, and pays.

The *Milwaukee Civic News* was cleverly designed to look like a tabloid newspaper. The annual report of the common council for 1938 is twenty-four pages long and wide, with every item a news article, to wit a few headlines: "Common Council Buys Harbor Land at Real Saving," "City Hall Library Has Long History," "National Safety Council Awards Milwaukee First Place Again." The technique is fine for pulling out the chief facts for our headline-trained populace, but it foils the orderly-minded soul who may be looking for a specific item on a specific subject. A news index next time, please. Even the *New York Times* has one.

Just like a picture magazine is the 1940 budget of the Board of Education of Rochester, New York. An alliterative title, *Devoted to Democracy* adorns a cover which, like any women's magazine, has learned the appeal of a child's face as a shameless invitation to turn the pages. Beautifully designed, and interesting too—but it must have cost a pretty penny to put out.

Because it takes the over-all view, perhaps, the New York State Department of Education is more businesslike in its approach. The prospectus of a big industry—steel, maybe—is what its 1939 report looks like. Thirty-seven big pictorial statistics charts plus single paragraphs of text on alternate pages show that book larnin' is booming in the Empire State. The school building sketched on the cover might well be a modern daylight factory, and the neat little pupils marching in and out, each one like the other, look as if they're carrying their union cards. This report is tremendously effective as an illustration of the seriousness and efficiency with which Americans pursue their public education.

In perfect keeping with the genius of the place is the annual report of Manhattan. It looks like a theatre program—for a play dealing with a trans-Atlantic romance, say—and if Manhattan is not the world's most perfect stage set, we should like to know what is. The title, *Manhattan 1939,* is superimposed in flowing white script on a magnificent black and white and gray photograph of a segment of the city at night, making a breath-taking cover. The inside is creamy slick paper and bold black print, showing up Manhattan as a smoothie in tails and top hat. There's plenty of text, but the chief feature is the photography. The best of the latter is, appropriately enough, George Bernard Shaw in the altogether. (The subtitle says "Saturday Night at Madison Street Bath," but it looks enough like Shaw to wisecrack right out loud.)

Brooklyn's annual report (Manhattan's sister borough) provides a distinct innovation. It looks like a report.

Additional Books and Reports Received

Assessments

The Assessment of Property for Ad Valorem Tax Purposes in Texas Cities. By M. G. Toepel. Austin, University of Texas, 1939. 261 pp.

Federal Government

The 1939 Factual History of the Federal Government. Compiled and Published by Congressional Intelligence, Inc., Washington, D. C., 1939. 202 pp. $2.00.

Fire

Automobile Fire Apparatus, Specifications for. As Recommended by National Fire Protection Association. Boston, National Fire Protection Association, 1939. 22 pp.

How Municipal Fire Defenses Affect Insurance Rates. How fire insurance rates are established, the procedure in determining a city's classification, and methods of reducing insurance rates. By Orin F. Nolting. Chicago, International City Managers' Association, 1939. vi, 101 pp. $1.50.

Municipal Government

For You Mr. Taxpayer. Report of the Town of Tappahannock, Virginia. Being a summary of progress and financial, factual, and descriptive data for year ending August 31, 1939. Tappahannock, Office of the Mayor, 1939. 33 pp. mimeo.

Municipal Officials in Texas. By Elliot G. Flowers. Austin, University of Texas, 1939. 179 pp.

Parking

Regulation and Licensing of Automobile Parking Lots (Specimen Ordinances). Washington, D. C., United States Conference of Mayors (Report No. 183), 1939. 7 pp.

Police

The Police Blue Book, 1939-40. A directory of national, state and provincial, county and municipal police and other criminal justice agencies and their executive personnel in the United States, Canada, and principal foreign countries. Chicago, International Association of Chiefs of Police, 1939. 247 pp. $5.00.

Public Welfare

America Builds. The Record of PWA for the six-year period since 1933. Prepared in the Division of Information, Public Works Administration. Washington, D. C., Superintendent of Documents, 1939. vii, 298 pp. illus. Seventy cents.

Migratory Cotton Pickers in Arizona. By Malcolm Brown and Orin Cassmore, under the supervision of John N. Webb, Chief, Urban Surveys Section, Division of Research, Works Progress Administration. Washington, D. C., United States Government Printing Office, 1939. xxii, 104 pp. illus.

Purchasing

Report to Mayor F. H. LaGuardia on the Work of the Department of Purchase, City of New York, for the Year 1938. By Russell Forbes. New York City, Department of Purchase, 1939. 88 pp. illus.

State Government

State Trade Walls. By F. Eugene Melder. New York City, Public Affairs Committee (Public Affairs Pamphlet No. 37), 1939. 31 pp. Ten cents.

The Government of New Hampshire. By Thorsten V. Kalijarvi and William C. Chamberlin. Durham University of New Hampshire, 1939. 283 pp.

Taxation and Finance

Anti-Chain Store Tax Legislation. By Maurice W. Lee. Chicago, University of Chicago Press, 1939. ix, 80 pp. $1.00.

A Study of Probated Estates in Washington with Reference to the State Tax System. By James K. Hall. Seattle, University of Washington, 1939. vi, 56 pp.

Exemption and Preferential Taxation of Factories. Exemption and Preferential Taxation of Homesteads. Chicago, National Association of Assessing Officers (Bulletins Nos. 24 and 20), 1939. 13 and 15 pp. mimeo. Fifty cents each.

Federal Tax Legislation in 1939. New York City, Tax Policy League, 1939. 8 pp. mimeo. Twenty-five cents.

Major Potential Sources of State Revenue in Illinois. By Research Department. Springfield, Illinois Legislative Council, 1939. iii, 45 pp. mimeo.

Property Taxation of Intangibles.

Chicago, National Association of Assessing Officers (Bulletin No. 21), 1939. 13 pp. mimeo. Fifty cents.

Property Tax Dates. By Research Department. Springfield, Illinois Legislative Council, 1939. iii, 30 pp. mimeo.

State Travel Expenditures. By Committee on Federal, State and Local Government. Topeka, Kansas Legislative Council, 1939. vi, 13 pp. mimeo.

Survey of Kansas Tax Problems. By Committee on Assessment and Taxation. Topeka, Kansas Legislative Council, 1939. vi, 23 pp. mimeo.

War Taxes. New York City, Tax Policy League, 1939. 9 pp. mimeo. Twenty-five cents.

Miscellaneous

Americans in the Making. The Natural history of the assimilation of immigrants. By William Carlson Smith. New York City, D. Appleton-Century Company, 1939. xvii, 454 pp. $3.75.

A Survey of University Graduates Employed in Government Service 1928 to 1936. By Lloyd M. Short and Gordon O. Pehrson. Minneapolis, University of Minnesota, 1939. 40 pp.

Democracy and Monopoly, by Frank Albert Fetter; **Dilemmas of Leadership in the Democratic Process,** by Chester I. Barnard; **Public Opinion in a Democracy,** by George Gallup. (Stafford Little Lectures). Princeton, University Extension Fund, Herbert L. Baker Foundation, Princeton University, 1939. 22, 27, and 15 pp.

Directory of Social Agencies of the City of New York 1940. Prepared under the direction of the Committee on Information Services of the Welfare Council, Anastasia H. Evans, Editor. New York City, Columbia University Press, 1939. xi, 484 pp. $3.00.

Solicitation for Charitable Purposes (Including Specimen Ordinances). Washington, D. C., United States Conference of Mayors (Report No. 184), 1939. 11 pp.

The Administration of Public Tort Liability in Los Angeles 1934-1938. By Leon T. David and John F. Feldmeier. New York City, Committee on Public Administration, Social Science Research Council, 1939. viii, 67 pp. One dollar.

WE THOUGHT THE BATTLE WON!

(Continued from page 823)

found, and to preach in their place the golden rule of clean government.

An ideal instrument for accomplishing these ends would be to get the young people into a broad national undertaking such as the Manitowoc program for citizenship day. I should like to see the League responsible for getting started all over the country local celebrations of the initiation of first voters into citizenship, similar to the exercises which originated this year in my own state of Wisconsin.

Finally, the League should be in the forefront of those who feel responsible for purifying and advocating with all their might a program of democratic operation of our common concerns.

Let no man or woman think that democracy can be inherited. On the contrary, it must be fought for day in and day out. How can we best carry on this fight? Let us line up again with Lincoln that this government "for the people, of the people, and by the people, shall not perish from the earth." Let us line up again with our fathers, and pledge to democracy "our lives, fortunes, and sacred honors."

EDITOR'S NOTE.—Address delivered before Forty-fifth National Conference on Government of the National Municipal League, Indianapolis, Indiana, November 16, 1939. Since President Dykstra prepared no formal paper, the address is as reported by a staff member of the League.

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